

JUL 9 1923



COMMONWEALTH OF AUSTRALIA, *Parliament*

PARLIAMENTARY DEBATES.

SECOND SESSION, 1917.

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SEVENTH PARLIAMENT:

SECOND SESSION.

Governor-General.

His Excellency the Right Honorable Sir RONALD CRAUFURD MUNRO FERGUSON, a Member of His Majesty's Most Honorable Privy Council, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George. and Commander-in-Chief in and over the Commonwealth of Australia.

Australian National War Government.

(From 17th February, 1917.)

Prime Minister and Attorney-General	..	..	..	The Right Honorable William Morris Hughes, P.C.
Minister for the Navy	..	..	..	The Right Honorable Joseph Cook, P.C.
Treasurer	..	..	..	The Right Honorable Sir John Forrest, P.C.. G.C.M.G.
Minister for Defence	..	..	..	The Honorable George Foster Pearce
Vice-President of the Executive Council	..	..	..	The Honorable Edward Davis Millen.
Minister for Works and Railways	..	..	..	The Honorable William Alexander Watt
Minister for Home and Territories	..	..	..	The Honorable Patrick McMahon Glynn, K C
Minister for Trade and Customs	..	..	..	The Honorable Jens August Jensen.
Postmaster-General	..	..	..	The Honorable William Webster.
Honorary Minister	..	..	..	The Honorable Littleton Ernest Groom.
Honorary Minister	..	..	..	The Honorable Edward John Russell.

Senators.

President—Senator the Honorable Thomas Givens.

Chairman of Committees—Senator John Wallace Shannon.

¹Bakhap, Thomas Jerome Kingston (T.)
Barker, Stephen (V.)
Barnes, John (V.)
Bolton, Lieut.-Col. William Kinsey (V.)
Buzacott, Richard (W.A.)
Crawford, Thomas William (Q.)
De Largie, Hon. Hugh (W.A.)
Earle, Hon. John (T.)
Fairbairn, George (V.)
Fericks, Myles Aloysius (Q.)
Foll, Hattil Spencer (Q.)
Gardiner, Albert (N.S.W.)
Givens, Hon. Thomas (Q.)
Grant, John (N.S.W.)
Guthrie, Robert Storrie (S.A.)
Guy, James (T.)
Henderson, George (W.A.)
Keating, Hon. John Henry (T.)
¹Long, Hon. James Joseph (T.)

Lynch, Hon. Patrick Joseph (W.A.)
Maughan, William John Ryott (Q.)
¹McDougall, Allan (N.S.W.)
Millen, Hon. Edward Davis (N.S.W.)
Needham, Edward (W.A.)
¹Newland, John (S.A.)
O'Keefe, Hon. David John (T.)
O'Loughlin, Lieut.-Col. Mahon. James Vincent
V.D. (S.A.)
Pearce, Hon. George Foster (W.A.)
Plain, William (V.)
Pratten, Herbert Edward (N.S.W.)
Reid, Matthew (Q.)
Rowell, Col. James, C.B. (S.A.)
Russell, Hon. Edward John (V.)
Senior, William (S.A.)
Shannon, John Wallace (S.A.)
Thomas, Hon. Josiah (N.S.W.)

TARIFF.

DUTIES ON SPIRITS AND BEER.

In Committee of Ways and Means:

Mr. JENSEN (Bass—Minister for Trade and Customs) [3.25].—I move—

CUSTOMS TARIFF.

That the Tariff proposals as defined in the *Customs Validation Act 1917* be amended as hereunder set out, and that on and after the Tenth day of August One thousand nine hundred and seventeen at four o'clock in the afternoon, Victorian time, Duties of Customs be collected in pursuance of the Tariff proposals as so amended.

SCHEDULE.

IMPORT DUTIES.

Tariff Items.	Tariff on Goods the Produce or Manufacture of the United Kingdom.	General Tariff.
3. By omitting the whole item and inserting in its stead the following item:— 3. Spirits,† and spirituous liquors, n.e.i.:— (A) When not exceeding the strength of proof per gallon (B) When exceeding the strength of proof per proof gallon	20s. 20s.	20s. 20s.
4. By omitting sub-item (B) of the item and inserting in its stead the following sub-item:— (B) Not denaturated in accordance with Departmental By-laws per gallon	20s.	20s.
9. By omitting the whole item and inserting in its stead the following item:— 9. Spirituous Preparations, viz.:—Essences Fruit Ethers Aromas and Flavours, Fluid Extracts, Sarsaparilla, Tinctures, Medicines, Infusions, Toilet Preparations, Limejuice and other Fruit Juices and Fruit Syrups, containing— (A) Not more than 25 per cent. of proof spirit per gallon (B) More than 25 per cent., but not more than 50 per cent. of proof spirit per gallon (C) More than 50 per cent., but not more than 75 per cent. of proof spirit per gallon (D) More than 75 per cent. of proof spirit, but not over proof per gallon (E) Over proof to be charged as spirituous liquors under Item 3(B)	5s. 10s. 15s. 20s.	5 10s. 15s. 20s.
10. By omitting sub-item (A) of the item and inserting in its stead the following sub-item:— (A) Containing 5 per cent. and more of proof spirit per proof gallon	20s.	20s.

† Spirits in cases of two gallons and under, to be charged as two gallons; over two gallons and not exceeding three gallons, as three gallons; over three gallons, and not exceeding four gallons, as four gallons and so on, provided that small bottles or phials of liquor intended for samples or other special purposes only may be entered at actual measurement.

IMPORT DUTIES—continued.

Tariff Items.	Tariff on Goods the Produce or Manufacture of the United Kingdom.	General Tariff.
13. By omitting sub-item (b) of the item and inserting in its stead the following sub-item :—		
(b) Containing more than 40 per cent. of proof spirit per gallon	20s.	20s.
15. By omitting the whole item and inserting in its stead the following item :—		
15. Wine, n.e.i., including Sake, Ginger, and Prune Wines; and Wines (other than Grape); con- taining :—		
(A) Not more than 25 per cent. of proof spirit per gallon	5s.	5s.
(B) More than 25 per cent. but not more than 50 per cent. of proof spirit per gallon	10s.	10s.
(c) More than 50 per cent. of proof spirit per gallon	20s.	20 .
54. By omitting sub-item (F) of the item and inserting in its stead the following sub-item :—		
(F) When preserved in spirituous liquid additional duty at 20s. per gallon to be paid on the liquid.		
57. By omitting the whole item and inserting in its stead the following item :—		
57. Grain and Pulse, not prepared or manufactured, viz. :—		
(A) Wheat - - - - -	Free	Free
(B) Barley - - - - - per cental	2s.	2s.
(c) N.E.I. - - - - - per cental	1s. 6d.	1s. 6d
58. By omitting sub-item (B) of the item and inserting in its stead the following sub-item :—		
(B) Wheaten Flour - - - - -	Free	Free
129. By omitting the whole item and inserting in its stead the following item :—		
129. Hessians and Brattice Cloth; Jute Piece Goods; Bookbinders' Cloth; Bunting - - - - -	Free	Free
134. By omitting the whole item and inserting in its stead the following item :—		
134. Bags Sacks Packs and Bales for Bran, Chaff, Compressed Fodder, Potato, Onion, Ore, Coal and Wool; also Sugar Mats, and Sugar Corn and Flour Sacks - - - - -	Free	Free
320. By omitting sub-item (c) of the item and inserting in its stead the following sub-item :—		
(c) Films for Kinematographs—		
(1) Sensitized Films, and Films n.e.i. - - -	Free	Free
(2) Exposed or Developed Films representing Dramatic or Australian Subjects per lineal foot	1d.	1½d.

And—

EXCISE TARIFF.

That the Tariff proposals as defined in the *Excise Tariff Validation Act 1917* be amended "as hereunder set out, and that on and after the Tenth day of August One thousand nine hundred and seventeen at four o'clock in the afternoon, Victorian time, duties of Customs be collected in pursuance of the Tariff proposals as amended.

Articles.	Rate of Duty.
Beer. —By omitting the whole item and inserting in its stead the following item:—	
Beer—	
Ale, Porter, and other Beer containing not less than 2 per cent. proof spirit—	
Brewed from Barley Malt and Hops exclusively - per gallon	6d.
N.E.I. - - - - - per gallon	7d.
Spirits. —By omitting the whole item and inserting in its stead the following item:—	
Spirits—	
(1) Brandy, distilled wholly from grape wine by a pot still or similar process at a strength not exceeding 40 per cent. over proof, matured by storage in wood for a period of not less than two years and certified by an officer to be pure brandy per proof gallon	17s.
(2) Blended Wine Brandy, distilled from grape wine, and containing not less than 25 per cent. of pure grape wine spirit (which has been separately distilled by a pot still or similar process at a strength not exceeding 40 per cent. over proof), the whole being matured by storage in wood for a period not less than two years, and certified by an officer to be brandy so blended and matured - - - - - per proof gallon	18s.
(3) Whisky, distilled wholly from barley malt by a pot still or similar process at a strength not exceeding 45 per cent. over proof, matured by storage in wood for a period of not less than two years, and certified by an officer to be pure malt whisky per proof gallon	17s.
(4) Blended Whisky, distilled partly from barley malt and partly from other grain, containing not less than 25 per cent. of pure barley malt spirit (which has been separately distilled by a pot still or similar process at a strength not exceeding 45 per cent. over proof), the whole being matured by storage in wood for a period of not less than two years, and certified by an officer to be whisky so blended and matured - - - - - per proof gallon	18s.
(5) Rum, distilled from molasses by a pot still or similar process at a strength not exceeding 45 per cent. over proof, matured by storage in wood for a period of not less than two years, and certified by an officer to be pure rum - - - - - per proof gallon	18s.
(6) Gin, distilled from barley malt, grain, or grape wine, and certified by an officer to be pure gin - - - - - per proof gallon	18s.
(7) Spirits, n.e.i. - - - - - per proof gallon	19s.
(8) Spirit for industrial or scientific purposes, subject to Regulations per proof gallon	19s.
(9) Methylated spirits, subject to Regulations - - - - -	Free
(10) Spirit for fortifying Australian wine or for making vinegar, subject to Regulations - - - - - per proof gallon	3d.
(11) Spirits for the manufacture, from Australian products exclusively, of scents and toilet preparations subject to Regulations per gallon	15s.
Amylic Alcohol and Fusel Oil - - - - - per gallon	19s.

This motion is necessary because of the loss of revenue which will follow the action of the Government in prohibiting the importation of certain articles which are deemed to be luxuries. It has been decided to increase the import duty on spirits by 3s. per gallon, and the Excise duty by an almost similar amount. It is further proposed to increase the Excise on beer manufactured in Australia by 1d. per gallon.

Mr. PAGE.—Why not increase it by 3d.?

Mr. JENSEN.—The Excise duty is now 6d. and 7d. per gallon. The amount of revenue we expect to obtain by these increased duties is, roughly, £600,000, which is just about the amount that we anticipate losing by the prohibition of articles of luxury and articles which the Government think can be made in Australia, and thus afford employment here.

Mr. TUDOR.—Will the Minister give a list of luxuries it is proposed to prohibit?

Mr. JENSEN.—By a proclamation dated the 10th inst., the Governor-General in Council has prohibited, except by the consent in writing of the Minister for Trade and Customs, the importation of the following articles, viz. :—

1. Ale and other beer, porter, cider and perry, spirituous, in bulk or in bottle.
2. Potable spirits.
3. Perfumed spirits and bay rum.
4. Biscuits.
5. Confectionery.
6. Eggs, in shell or otherwise.
7. Fur apparel.
8. Perfumery.
9. Jewellery, imitation jewellery, and imitation precious stones.

10. Bodies for motor vehicles, whether imported separately or forming part of a complete vehicle.

We contend that motor bodies can be made in Australia, but we shall permit of the chassis being imported.

Mr. PAGE.—Are those all the luxuries that you intend to prohibit?

Mr. JENSEN.—There are many things which might be deemed to be luxuries, but the Government have to take into consideration the effect of a prohibition on the revenue.

Mr. FENTON.—What about champagne?

Mr. JENSEN.—Very little champagne is being imported.

Mr. PAGE.—Surely those are not all the luxuries you are going to prohibit?

Mr. JENSEN.—Those are all the luxuries that the Government intend to prohibit at this stage.

Mr. TUDOR.—Are all the items you have mentioned absolutely prohibited?

Mr. JENSEN.—No. The Government will grant permission for the importation of potable spirits during the year 1917-18 to the extent of 70 per cent. of the quantities imported during the year 1916-17. The remaining 30 per cent. will be prohibited. That will be effected by a regulation of the Customs in the releasing of spirits from bond. All the other items mentioned are absolutely prohibited; but the Minister will have power to permit certain articles to be imported. For instance, representations may be made that certain jewellery should be allowed to enter Australia. The Minister will consider those representations, and will have power to grant a permit if he thinks it necessary. Goods in bond in Australia, or such as are in Australian ports, or in course of transit to Australia on the date of the proclamation, will be allowed delivery. That will be done in order not to cause great inconvenience to the commercial community. I think that is a reasonable proposal.

Progress reported.

ADJOURNMENT.

BORE-CASING—AUSTRALIAN AND BRITISH SOLDIERS—UNEMPLOYMENT.

Motion (by Mr. JOSEPH COOK) proposed—

That the House do now adjourn.

Mr. HIGGS (Capricornia) [3.50].—I desire to bring under the notice of the Acting Prime Minister a letter I have received from the Wowan Farmers and Settlers' Progress Association. In that communication I am asked to represent to the Prime Minister the distress that is caused to settlers on the land in that district through the scarcity of water, and which is accentuated by the increased

cost of bore-casing. For the purpose of relieving the distress, I am asked to urge the Government to allow German-made casing now in the hands of various Queensland foundries to be sold at a minimum cost to the settlers of this and other such sparsely-watered districts of Queensland who are dependent on the Queensland State Savings Bank for payment for bores. It is also desired that the Government shall ascertain the amount of German casing held by various firms in Queensland. I believe that public opinion is not so disturbed to-day as it was a couple of years ago, when people actually refused to play German music simply because it was German, and Beethoven was actually taken off the list of all musical programmes. The public are getting into a saner state of mind; and I notice that Beethoven has been played at the recent Verbruggen concerts. From this letter, it would appear that a quantity of German-made casings is in the possession of Queensland firms, and the settlers desire it to be placed on the market. I cannot see that we shall either win the war or do any particular good by keeping that material out of use. Probably other casing is not available, and, if the facts are as stated, the Government might consider the release of German casing now held in stock. I shall be glad if the Minister for the Navy will consider the matter.

Dr. MALONEY (Melbourne) [3.41].

—In the *Age* of the 6th August appeared a statement by Brigadier-General Sir Robert McC. Anderson that "About a month ago General Sir Archibald Murray, who, until recently, was commanding in Egypt, told me that he would rather lose a division of other troops than a brigade of Australians." In the *Argus* of the 8th August is a letter signed by "Fair Play," pointing out that, whilst a brigade of infantry consists of 124 officers and 4,055 of other ranks, not including details at the base, a division consists of 585 officers and 17,488 of other ranks, not including details at the base. "Fair Play" points out that "The statement, therefore, means that one Australian soldier, as a fighting man, is equal to five British soldiers." Whilst one may admire a man who, probably, without a

scintilla of knowledge of warfare, can rise to the rank of brigadier-general, I can scarcely believe that a British general would make a statement that he would rather sacrifice five British soldiers than one Australian. Our boys who are at the Front lift their hats in admiration of the battalions who represent the four British Kingdoms, and they would not approve of such a statement as that. If General Sir Archibald Murray made such a cold-blooded, brutal remark, he ought to be shot. I lift my hat to the British Tommy. The whole history of British soldiers is a record of bravery. I am proud of my Australian brothers, and if they only equal the Tommies in courage and fighting capacity, I shall be satisfied. I ask the Honorary Minister to consult with the Minister for Defence as to whether a cablegram cannot be sent to General Sir Archibald Murray, asking him if he made such a brutal and cruel statement as is attributed to him.

Mr. FENTON (Maribyrnong) [3.44].

—I should like once again to refer to the question of unemployment, particularly in the case of returned soldiers. Several of these men were dismissed by the Colonial Ammunition Company about a fortnight or three weeks ago, and there are amongst them married men, who are still out of employment, and whose position is more than precarious. Is there not a possibility of the Government making a special effort in regard to these men, apart from repatriation? Later we shall have a repatriation scheme in operation; but it appears that the men who have returned early from the Front will have to battle unaided, and they are not in that state of physical health which enables them to take any kind of work. I could give the Minister details of half-a-dozen cases of actual distress. I have already asked the Minister for Works and Railways [Mr. Watt] to facilitate the matter of putting works in operation that will give employment to people, many of whom are endeavouring in these times of high cost of living to support families. I have a list of men with families of up to nine to support. In these hard times, one of the chief duties of a National Government is to see that people are fed, clothed, and housed. I shall send the Minister a list of names if he desires them, and trust

that something will be done by the Government, in addition to pushing on with works as far as practicable, to give work to men out of work.

Mr. GROOM (Darling Downs—Honorary Minister) [3.46].—One naturally sympathizes with anybody out of employment, particularly returned soldiers, and the cases of those who have families are to be most earnestly considered. The honorable member for Denison [Mr. Laird Smith] brought one or two cases to me, and I promised to make inquiries as to the position in regard to them concerning the ammunition factory. I cannot say at present that I know of any cases where employment can be given to them, but I shall certainly make inquiries to see what can be done.

Mr. FENTON.—Surely the resources of the Government are not so limited that nothing can be done for a limited number.

Mr. GROOM.—I promise the honorable member that I will make inquiries.

Mr. FENTON.—They can get no redress from the State War Council.

Mr. GROOM.—I shall look into the matter at once. The honorable member for Melbourne [Dr. Maloney] mentioned the case of ex-Sergeant Woods. I have had inquiries made, and have the facts here. I would advise the honorable member to see me privately with respect to that case.

Mr. PIGOTT (Calare) [3.48].—We are all keenly interested in the matter of unemployment, but my experience is that if it exists, it exists in Melbourne and other big cities. In the country districts, especially on the grazing properties and farms, it is absolutely impossible to get labour. We have vacancies for all descriptions of work, and it would be a good thing if the Minister, instead of plunging the country into extra expense for unnecessary works, tried to organize labour as far as possible, and find out where these men could be placed. The other day some 200 women forced their way almost into this chamber, and have since been talking a great deal about unemployment. If they really wanted work, there are hundreds of people living in the country districts who would be very glad to engage them as domestic servants.

Mr. HIGGS.—Half of those women are married women with families.

Mr. PIGOTT.—But a dismal picture has been drawn to us about their starving. There was a time when I was glad to take anything in the way of work. Member of Parliament as I am, rather than starve, or beg, or create turmoil in this country, I would take on any menial work. It is no shame for a man to work, no matter what the occupation, so long as he is doing it honestly and honorably.

Mr. JOSEPH COOK (Parramatta) [3.50].—The honorable member for Capricornia [Mr. Higgs] asks that we shall make available German bore casing, so that it may be purchased at a lower rate than ordinary casing, in order to give some relief to the drought-stricken districts.

Mr. HIGGS.—I only received the letter this afternoon, and all I did was to ask you to look into the merits of it.

Mr. JOSEPH COOK.—It is not the honorable member's usual rôle to ask for things to be sold at a cutting rate, but that is the request in this letter.

Mr. HIGGS.—I only asked you to look into it.

Mr. JOSEPH COOK.—I am afraid it will want looking into a great deal before one can commit one's self offhand to a thing of this kind. My own feeling is that if there is any other casing than German in the district, no concession whatever should be made to the German casing.

Mr. HIGGS.—I agree with that, but if there is no other casing, and it is being held merely because it happens to be German made, I want you to do something.

Mr. JOSEPH COOK.—No returned soldier unable to get work ought to be allowed to want. There is plenty of money to be made available by this Government to prevent that scandal, at any rate, and whatever else is blocking the way, it is not want of generosity on the part of the Government. It must be due to some lack of organization somewhere in between. If the honorable member for Maribyrnong [Mr. Fenton] can give us concrete cases, we will see that they are inquired into. The Government have the responsibility of seeing that returned soldiers either get work or are not allowed to starve.

Mr. HIGGS.—You seem to lack administrative ability.

Mr. JOSEPH COOK.—The Opposition have been trying to make political capital all the week out of the poor returned soldier. I ask them not to try to trade on his sheer distress. A deputation waited on the Prime Minister yesterday evening to see if something could be done at the particular place to which the honorable member for Maribyrnong [Mr. Fenton] referred. I hope it will be possible to do something there.

Mr. FENTON.—These cases need immediate relief. If they are not relieved, I am rather afraid of the terrible distress that will be created.

Mr. JOSEPH COOK.—If a returned soldier is unable to get employment, the State War Council ought to tide him over until he can.

Question resolved in the affirmative.

House adjourned at 3.56 p.m.

Senate.

Wednesday, 15 August, 1917.

The PRESIDENT took the chair at 3 p.m., and read prayers.

PENSIONS OFFICERS: PERTH.

Senator NEEDHAM.—Has the Leader of the Senate replies to the questions I put on the notice-paper last week regarding the appointment of Pensions Officers at Perth?

Senator MILLEN.—The honorable senator asked—

1. Did the Military Head-Quarters, Perth, call for applications for first Pensions Officer?
2. If so, when were applications called for?
3. Were there any applicants?
4. Was an appointment made?
5. Were applications called for second Pensions Officer?
6. Has Major Milner been appointed to that position?
7. If so, will the Minister give particulars in connexion with this appointment?

The answers supplied are as follows:—

1. The Deputy Commissioner of Pensions, Perth, advertised for applications from returned soldiers for a temporary appointment as special magistrate.
2. February, 1917.
3. Yes.
4. Yes.
5. No.
6. Major Milner, a returned soldier, is temporarily employed as a special magistrate.

7. To enable war pensions claims to be dealt with as speedily as possible the Deputy Commissioner was instructed to nominate a returned soldier, who, in his opinion, was qualified to act as a special magistrate. The Deputy Commissioner nominated Major Milner.

ENEMY SUBJECTS.

Senator PRATTEN.—In view of the proclamation of the Prime Minister ascribing one of the causes of the present industrial upheaval in New South Wales to the domination of secret agents of Germany, will the Minister for Defence order that the whole question of the treatment of enemy subjects within the Commonwealth be revised forthwith?

Senator PEARCE.—I see no necessity to give the order suggested, as effectual action is being taken to deal with any evidence which comes to hand.

AUSTRALIAN IMPERIAL FORCE.

CIVIL AND MILITARY PAY.

Senator Lt.-Colonel O'LOGHLIN.—Some time ago I called the attention of the Minister for Defence to the fact that Commonwealth employees who enlist have not the difference between their civil and military pay made up to them, although that is done in several of the States. Has the Minister looked into this matter, and if so can he give any further information?

Senator PEARCE.—The facts in this case are that at a conference of Commonwealth and State Governments held after the outbreak of war, it was agreed that public servants enlisting should receive military pay only. The Commonwealth Government is adhering to that agreement. I understand that the States of New South Wales and South Australia are not adhering to the agreement; the other States are.

Senator Lt.-Colonel O'LOGHLIN.—The more to the credit of South Australia and New South Wales.

PRICE OF ONIONS.

Senator McDOUGALL.—Has the Minister representing the Prices Board made any inquiry yet into the price of onions; and, if so, has he any answer to give? I noticed in the newspaper this morning that growers complain that they receive £4 a ton while onions are sold at as high as £14 a ton. Has the Minister my letter of 16th January, in which I gave him

notice that this rise was going to take place, and asked him to make inquiries into the matter?

Senator RUSSELL.—This is a question which the Prices Commissioner has to deal with. I shall endeavour to get a reply for the honorable senator to-morrow.

FINCHLEY HOSPITAL.

Senator FOLL asked the Minister for Defence, *upon notice*—

1. Is the Finchley Hospital at Toowoomba at present being used for invalid soldiers?

2. If not, have any arrangements been made to see that this building and grounds are kept in proper order during the time it is not in use as a hospital?

Senator PEARCE.—The answers are—

1. No.

2. It appears that the former caretaker was unequal to the work of keeping down the weeds, but a new caretaker has been appointed, and it is reported that the building and grounds are at present in a satisfactory condition.

PAPERS.

The following papers were presented:—

Public Service Act 1902-1916.—Promotion of A. J. Rutherford, Postmaster-General's Department.

War Precautions Act 1914-1916.—Regulations Amended—Statutory Rules 1917, No. 182.

RAILWAYS BILL.

In Committee (Consideration resumed from 10th August, *vide* page 993):

Clause 46 agreed to.

Clause 47—

(1) Subject to this Act, the Commissioner shall appoint or employ such persons to assist in the execution of this Act as he thinks necessary, and every person so appointed shall hold office during pleasure only.

(2) The Commissioner shall pay such salaries, wages, and allowances to employees as he approves and as the Parliament appropriates for that purpose.

(3) No employee appointed under this section shall, without the written consent of the Commissioner, engage in any employment outside the duties of his office.

Senator FERRICKS (Queensland) [3.9].—I move—

That the following new sub-clause be added to the Bill:—"4. No employee under this section shall, without the written consent of the Commissioner, accept a gratuity from a member or members of the public using the railway."

This is the proper time to endeavour to make some provision against what

is undoubtedly a national evil. My previous references to the question have been received with a certain amount of levity, but changes of opinion have been forced upon us by what has occurred since the outbreak of war. What Germany was able to do by the aid of the pernicious evil of tipping shows the seriousness of the subject. I have been informed by people who travelled through Germany just before the war broke out that there were technical colleges there for the instruction of hairdressers, waiters, footmen, coachmen, and so on, and that for some years Germany had been virtually the supplier of men to occupy these posts throughout Great Britain. The result was that German secret service agents were established as waiters and stewards in the clubs, including the Naval and Military Clubs, and the leading eating houses and hotels. They had received their tuition under the German system of disbursement of Secret Service money, and were able to secure the positions by reason of the fact that in many cases no wages were paid for them, the men depending on tips, and sometimes premiums had actually to be paid. Prior to the outbreak of the war there was a remarkable clearing out of these gentry from Great Britain. One man, of considerable standing in Australia, told me that the arrogance of these German Secret Service instruments was beginning to assert itself in England just before the war broke out, so much so that if the tip offered was not sufficiently large the customer was openly bantered. On one occasion he was in a leading tea garden in England with some lady friends, and handed out £1, thinking he would get sufficient silver change to provide the necessary tip. All he got back was half a sovereign and a threepenny bit. Not wishing to give the half-sovereign as a tip he told the waiter to keep the 3d., with the result that when he and the ladies, on leaving, walked down the aisles, a chorus of "dreipence" was taken up in the German tongue from one waiter to the other.

The tipping evil is rampant throughout Australia. I propose to throw some of the responsibility on the person who gives or offers a tip. As regards tipping on ships, I have been for some years speaking against this national evil, and at first discriminating treatment was meted out to me by some of the stewards evidencing a hostile spirit. When, however,

they realized that my object was to have the stewards paid a proper living wage for their services by the people who employed them a great change came over them, and I have received letters of commendation from the secretaries of various stewards' unions, saying that the removal of the tipping evil would be a good thing for the men themselves. Unfortunately, Mr. Justice Higgins legalized the practice by allowing so much for wages to the stewards in his award and expecting them to make up about 15s. a week in tips from the public.

Senator DE LARGIE.—He has given another award to the same men since then.

Senator FERRICKS.—Even so, I do not think the award is commensurate with the work performed. I believe he allowed stewards £9 a month, which, although it is not expressly stated, leaves something to be made up by tips.

As regards the railways, I do not say the railway employees make such a fine art of the practice as do shipping stewards and others, but the evil is perceptibly growing. On the Central Station in Brisbane a number of lads are employed as platform porters to attend to passengers' luggage. I have often watched mail trains going out at night for the north. When a parliamentarian or commercial traveller carrying only an umbrella or stick or brief bag comes on to the platform, he is at once surrounded by four or five of these lads who are anxious to know if he has the number of his car or sleeper, while a little further down the platform a lady, with two or three children, will be left to struggle with her own luggage. These boys are put there to attend to passengers' luggage, and not to look for tips. I do not blame them altogether, for I held the responsible position of lad porter myself once, and I know the boys are keen to make all they can. But the system is wrong, and will not bear examination.

If the Senate indorses my amendment a start will be made towards abolishing the tipping evil. Most people have admitted to me that the system is rotten, but regard the idea of abolishing it as Utopian. We have found we can do lots of things that we thought we could not do before the outbreak of the war. We have raised £80,000,000 in this country, although previously it was thought that we could not raise loans in Australia, and since we have been cut off, to a certain extent, from other countries we have

found that we can make innumerable things that it was never thought we could make before.

This Bill offers a splendid opportunity for the National Government to make a start towards the abolition of tipping on its own national railways. Not only passengers, but consignors of produce or goods use the tipping system to buy more personal attention from railway employees than is their due. A commercial traveller who wants his samples sent ahead, or a business man who wants goods consigned by a certain train, gives a tip, and the things go without fail, while farmers' produce and other stuff may be left behind. I am certain that this is one of the main reasons for a number of the letters that we see in the papers.

Senator Colonel ROWELL.—You are making a grave charge against the railway employees.

Senator FERRICKS.—I know, but it is only too true. My advocacy of this reform is not popular, and I have been told that, in Queensland, I was losing votes, but the evil exists, and the National Parliament should endeavour to stop it. I have included the words "without the written consent of the Commissioner," so as not to prevent a railway employee from receiving a presentation of a purse of sovereigns, or a gold watch, in recognition of some deed of heroism.

I commend the amendment to the serious consideration of honorable senators, and although I have not spoken to any other member of the Senate about the matter, I feel confident that the majority will agree with the sentiments I have expressed. The only objection which, I think, can be raised against the amendment is—Can effect be given to it? It is possible at all events to make an attempt, and let it be known that the Commonwealth Government, on their own railways, will endeavour to do away with this pernicious practice, the abolition of which will, I think, be in the best interests of Australia and of the men themselves.

Senator FOLL (Queensland) [3.21].—I direct attention to sub-clause 3, which states—

No employee appointed under this section shall without the written consent of the Commissioner engage in any employment outside the duties of his office.

I am sorry this sub-clause has been included in the Bill, because, in my opinion, it places an unfair restriction

upon members of the Public Service. I know that, in the Queensland State Service, a similar provision was found to be open to a very wide interpretation indeed. It has been urged that without this provision it will be impossible for Government employees to undertake work outside their ordinary employment, and thus neglect their own duties; but in answer to that I would say that if any official neglects his work it is the duty of the head of the Department, or the foreman in charge of a gang, as the case may be, to send that man about his business. No such restriction is placed upon employees of private firms, and if this practice is to be continued in the Government Service, higher wages should be paid to make up for the disability. Unfortunately, this is not usually the case. Let me illustrate how unfairly the sub-clause will operate. I will take the case of a man in receipt of a small wage, say, in the Railway Department, in one of the cities of the Commonwealth. If an opportunity is afforded him to earn half-a-sovereign on a Saturday afternoon by, say, taking gate money on a racecourse, why should he be prevented?

Senator THOMAS.—And compete with a man who, probably, had nothing to do during the week?

Senator FOLL.—It is hardly likely that a man with whom such an official would compete would have been earning nothing during the week. This railway man to whom I allude might have a large family to keep, and he should not be denied a chance of earning a few extra shillings to provide his family with some additional comforts.

Senator BAKHAP.—If he does his work, what else matters?

Senator FOLL.—I agree with the honorable senator. If an employee of the Government performs his duties satisfactorily during office hours, it should be the concern of no one what he does with his spare time. Let me now quote the case of another man in somewhat more fortunate circumstances: He may possess two or three allotments of land in one of the suburbs, and, in his spare time, build a small cottage for himself. He may live in that cottage for two or three weeks, or months, and then sell at a profit. No restriction whatever would be placed upon him because it would be argued that he was simply

building for himself, and that his work was not "employment" in the meaning of the Act. That man, as well as the other to whom I have alluded, would be quite entitled to make extra money for himself. If, however, the Government will guarantee to pay their workmen wages above the award rate, I shall not press my objection. I intend to move—

That sub-clause 3 be left out.

Amendment (by Senator FERRICKS), by leave, temporarily withdrawn.

Amendment (by Senator FOLL) proposed—

That sub-clause 3 be left out.

Senator RUSSELL (Victoria—Honorary Minister) [3.27].—I am afraid that Senator Foll's amendment, if adopted, will not render very much service to the most deserving men in the community. If we do not pay sufficient wages to our employees, we ought to do so. After giving the best years of his life to the service of the Government, a man is entitled to proper treatment, so that he will not be obliged to take outside work in order to earn a few extra shillings. We have found, by experience extending over a number of years, that this sub-clause does not operate against the best servants of the State, but only against those who, after drawing Government pay, are contemptible enough to compete with others less fortunately placed. They have not sufficient manliness to fight for a sufficient wage, but, whilst subsidized by the Government, are prepared to compete against men in other departments of life. Such persons deserve no sympathy.

Senator PRATTEN.—They do it in their own time.

Senator RUSSELL.—That does not touch the point. Suppose a man, a capable musician, earns £4 in his capacity as a Government servant, and then accepts engagements at 12s. 6d. a night, while the recognised rate for musicians is £1 1s. a night.

Senator FOLL.—He could not do that under the award rate.

Senator RUSSELL.—Let me tell the honorable senator that the award rate does not always operate. All Government Departments are unanimous in their condemnation of the public servant who practically utilizes a Government subsidy to undercut individuals in private employment. If a Government employee

does not receive a wage sufficient to maintain himself and his wife and family in comfort, by all means let us put up a fight for an increased wage being paid to him. If he is actuated by a genuine desire to improve his position, he may have the law relaxed in his favour by the Commissioner, but obviously he cannot be granted this concession if he merely wishes to undercut others who are engaged in private employ. By-law 15, which will probably be adopted when this Bill becomes law, reads—

No staff employee shall engage in any paid employment outside his departmental duties without obtaining the permission of the Acting Commissioner, but this shall not apply in respect to any payment received from a trades union or friendly society.

In other words, his freedom of action will be limited only when he seeks, after completing his day's work, to compete with his fellow citizens who are in private employ. Under that by-law he will be able to become the secretary of a lodge, or of a temperance society, or of a trade union.

Senator GRANT.—Will he be able to fill in land tax returns?

Senator RUSSELL.—I do not know, but I do know that many public servants voluntarily render numerous services to the public in connexion with the filling in of land tax returns, particularly in the country. Honorable senators will recognise that we must have power to prevent railway employees from competing for outside employment to the detriment of other persons.

Senator THOMAS (New South Wales) [3.34].—I trust that the amendment will not be carried. I venture to say that if it be adopted, opposition to it will come, not so much from the Commissioner as from the outside public. The provision aims at dealing more with permanent officers than with men who are engaged on the temporary staff. Now permanent officers have their positions assured to them until they are sixty-five years of age. They are paid all the year round, whether the weather be wet or fine, and irrespective of whether or not they are absent from duty on account of illness. They cannot be dismissed without first having a right of appeal to a Board constituted for the purpose. Senator Foll wishes to give men appointed under such conditions an opportunity to compete with individuals who are liable to be dismissed

from private employment at a moment's notice. That would be grossly unfair. I know of a case in which the wife of a locomotive driver actually conducts a small store in opposition to a widow who has to support four or five children. Rather than open the door in the direction suggested by Senator Foll, I would close it. A railway employee ought to be paid a reasonable wage, but he ought not to be permitted to unfairly compete with individuals in private employ.

Senator McDOUGALL (New South Wales) [3.38].—I compliment the Government upon the insertion of this provision in the Bill. As one who has had many years' experience in industrial matters, I know that with men in private employ it is a common complaint that public servants frequently attempt to take the bread out of their mouths. I have seen a Government employee utilize his three weeks' holiday leave by accepting outside employment while at the same time public servants were clamouring for shorter hours in order that they might have reasonable recreation. I hope that the sub-clause will be retained in the Bill.

Senator NEEDHAM (Western Australia) [3.39].—The Honorary Minister has stated that if the wages paid to an employee on the Commonwealth railways are not sufficient to maintain himself and his family in comfort, he regards it as the duty of the Government to see that those wages are increased. In view of that assurance, I cannot see my way to support the proposal of Senator Foll. When a man is in constant employment it is unfair to allow him to compete in the industrial market with others whose employment is of a very casual nature. Senator Foll spoke of a public servant who in his leisure hours might perhaps build a house with a view to subsequently selling it. But this provision would not prevent a man from doing that.

Senator BAKHAP.—What if he put 15 or 20 acres in a suburb under crop?

Senator NEEDHAM.—To be engaged in any employment a man must be employed by some one else. I do not think he could be fairly described as being engaged in an employment if he was building his own house.

Senator GRANT.—It would be an interference with the building trade all the same.

Senator NEEDHAM.—That may be so, but the number of railway employees who will build their own houses will not materially affect the building trade. So long as the employees on the Commonwealth Railways receive fair wages it is not wise that they should be allowed to compete with persons outside the Government service in any industry.

Senator PRATTEN (New South Wales) [3.43].—I should like to see the word "employment" defined. As the sub-clause stands at present an arbitrary Commissioner might prevent a railway employee from rendering voluntary service to a repatriation committee, or the service to the general public to which the Minister has referred. I believe that the Minister's objection is to any employee of the Railway Department seeking paid employment outside whilst receiving wages from the Government.

Senator EARLE.—A Commissioner might reasonably object to an employee giving voluntary service.

Senator PRATTEN.—I should like to see the word "employment" defined, because without a definition a railway employee may be exposed to unreasonable restrictions by an arbitrary Commissioner. If the Minister could suggest some definition of "employment" it might overcome the difficulty in the minds of some honorable senators.

Senator NEWLAND (South Australia) [3.45].—I agree with Senator Pratten that it would be well to define the word "employment," as used in this clause. Senator Thomas referred to a case of an employee whose wife was engaged in a business, but, as the business did not belong to the husband, that could not be prevented. I know that under the Railways Acts of South Australia such a thing could be prevented. There are many things in which a railway employee might be engaged which could scarcely come under the definition of employment prohibited under this clause. A man might acquire a few acres of land upon which he would grow crops for sale. After all, he would be in competition with the primary producers, and I should like to know whether he would be considered as engaged in employment outside the railway service. I know of districts in which railway men and their wives go in very extensively for the breeding of goats. In some parts of Australia that is a very profitable occupation

indeed. Much of the country through which the Commonwealth railways pass is good country for the breeding of goats. A man might run a poultry farm, keep a cow and sell the milk, or grow vegetables for sale. There are a thousand and one things which a railway employee might engage in in his own time, and to the benefit of himself and the community generally.

Senator FERRICKS.—There is always a lot of latitude allowed in dealing with such matters.

Senator NEWLAND.—I am afraid that the tendency is rather in the other direction. I know that certain members of a railway staff were elected to positions on local authorities in connexion with which they performed a great deal of honorary work, giving up their own time to serve the community. The railway authorities in South Australia stepped in and compelled those men to resign from the honorary offices which they filled. I happened to be one of them myself, so I know what I am talking of. It was customary some years ago for a railway employee to accept office as the secretary of a friendly society, for the work of which a small honorarium was paid. The Government stepped in and refused to allow any Government employee to take a position which carried a higher salary than £10.

Senator NEEDHAM.—The Minister says that that is not affected by this provision.

Senator NEWLAND.—That is so. In South Australia the difficulty was got over by that means. There are various ways of getting round an Act of Parliament. My concern is that the word "employment" can be defined as the authorities may think fit. But I recognise the difficulty of putting in a definition, or opening the door wide. I do not wish to open the door wide, because I have no sympathy with a man who puts in a day on the railway and then enters into competition with some other person. I know a man—he was a butcher by trade—who used to do one day's work on the railway and two days' work in a butcher's shop. He could not do that sort of thing to-day. I expect that the Butchers' Union would see that he did not. In this matter we shall have to trust to the by-laws, because such matters can be defined more closely in by-laws than in the Bill itself.

I am agreeable to the retention of this word on the understanding that it will be made perfectly clear in the by-laws that certain kinds of employment cannot be engaged in by railway men when they are off duty.

Senator GRANT (New South Wales) [3.53].—If this question were submitted to a vote of the Australian organized workers, I believe that they would refuse almost unanimously to permit employees of the Railways Commissioners to engage in any other kind of employment. It would be very much better for the Government, if that is their desire, to eliminate the words "without the written consent of the Commissioner" so as to make the provision read—

No employee appointed under this section shall engage in any employment outside the duties of his office.

If the Commissioner is given the right to say whether an employee shall engage in outside employment, a man who has a pull on the Commissioner will get permission to loiter when he is on duty and to engage in other work for the remainder of the day. There are innumerable directions in which men can employ profitably their leisure. I take a wider view of the word "engage" than the mere fact of a man being employed by somebody else. In my opinion, it is not necessary for a man to be employed by somebody else to engage in profitable work after he has completed his day's duty for the Commissioner. Apparently, it would not be an infringement of the sub-clause if an employee engaged in the breeding of pigeons. It might not be very profitable, but still it would interfere very considerably with persons who devoted the whole of their time to that business. Another railway man might engage in the breeding of prize fowls, and he, too, would interfere very seriously with those who had not the privilege of holding an office under the Railways Commissioner, and who had to devote the whole of their time to fowl-breeding. Yet, according to the definition placed on the word "engage," that would be no infringement of the sub-clause. A man might even go so far as to engage in the breeding of race-horses, or to have several shares in race-horses. He would not be directly employed by anybody outside the Department, but he would be engaged in an avocation which probably was just as profitable as the one in which he was em-

ployed by the Commissioner. So, too, with regard to the breeding of dogs and other animals.

Reference was made by Senator Foll to the question of house-building. Apparently, it would be quite the right thing for a railway employee to secure a suitable piece of land whereon to build a home for himself. Instead of employing a recognised builder, he would devote any spare time he had in the morning and evening, Sundays, Saturdays and holidays in erecting a dwelling. That would be interfering directly with those who devoted the whole of their time to that particular industry. But, apparently, there is nothing in the Bill to prevent that kind of thing being done.

Senator McDougall.—Would you let a man put up a tent?

Senator GRANT.—There are persons who devote their time to making tarpaulins for tents, and there are others who spend all their time in building tents. It is just as much an interference with the rights of citizens for a railway man to do that as to engage in other outside work in his spare time.

Senator Colonel Rowell.—Would you not allow a man to grow a little fruit or vegetables?

Senator Guthrie.—Or to catch some fish?

Senator GRANT. — Apparently, it would be quite right for a man to go fishing, and provide himself with food in that way, instead of getting his supply through the ordinary channel. If this provision is to have the wide sweep which some honorable senators desire it should have, it will prevent a gifted employee from writing such a book as *The Sentimental Bloke*, or *The Moods of Ginger Mick*. If honorable senators are going to prevent the ordinary railway man from earning some money after his office hours, they will certainly require to stop the production of any literary works of that character. They will also require to prevent a man who has had journalistic experience from making use of his literary qualifications and earning additional money.

It has never been a plank of the Labour platform that one man should have only one job. But it is a principle generally adhered to. It is recognised that if a man does his work, and does it well, he is not fit to engage in other employment. In my opinion, the proper remedy to

adopt is to remove from the Commissioner the right to give his sanction. If the amendment I have suggested were made, it would do away with all amateur fishing and house building, and, probably, it would go so far as to prevent a railway man from investing surplus cash in shares in mining companies or other ventures of that sort.

After the present amendment is disposed of, I will submit the amendment I have outlined, and then we shall see whether honorable senators are prepared to give the Commissioner the right to give or withhold his consent to the performance of outside duties. Seeing that there is an annual loss of a sum exceeding £350,000 on the Commonwealth railways, I take it that the Commissioner will have his work cut out for a considerable time to make ends meet. It would really convenience him and greatly conduce to the satisfactory working of the railways if the employees were required to devote the whole of their time to that business, and were prevented from engaging in outside employment, either directly or indirectly.

The CHAIRMAN.—The amendment before the Committee is that the whole of the sub-clause be struck out.

Senator GRANT.—If that amendment is defeated, I shall move the one which I have suggested.

Senator BAKHAP (Tasmania) [4.3].—I intend to support the amendment of Senator FOLL. I am not afraid, as Senator Grant is, that the operation of the sub-clause would result in the prohibition of the outflow of literature similar to the work called, *The Moods of Ginger Mick*. That is not a difficulty which is in my way at all. I object to the principle which has been laid down by several honorable senators of prohibiting the activities of a man outside the terms of his engagement with the Commissioner, if he carries out properly the duties allotted to him by the Department over which the Commissioner presides.

A good many of the statements made here to-day seem to me to involve a very big fallacy. There is the idea that one producer of wealth enters into competition with another producer. That is fallacious. If it is accepted as a principle, I venture to say that I shall be able to produce a pretty long list of exceptions to it. Does one gold-miner enter into competition with another gold-

miner? Does one wheat farmer enter into competition with another wheat farmer, and is the competition to be deprecated even if he does? Practically all competition is only one phase of wealth production. We must not forget that the railways under the immediate jurisdiction of the Commissioner will traverse the waste spaces of Australia. It would be a very good thing if every stationmaster, every guard, every porter who will be living in these practically unpopulated stretches were encouraged to engage in grazing, and breeding horses, cattle, goats, and sheep. I should eulogize any principle that would permit these men to engage in the production of wealth outside the time occupied in their railway duties, and encourage them to subdue the wilderness. If a Government employee in a suburb helps his wife to run a poultry farm in his spare time, is he doing something inimical to the interests of the country?

Senator THOMAS.—Does any Commissioner prevent him from doing so?

Senator BAKHAP.—The honorable senator is inviting the Commissioner to prevent him. It seems to be set out in this sub-clause as a principle that it is desirable to limit the activities of men in the hours outside those occupied in performing their official duties. I hope I shall never vote for the embodiment of this pernicious principle in any of our Railways Acts. I am astonished at honorable senators who have spoken against the amendment. We are always talking about our liberty, and proclaiming this country to be a Democracy, yet throughout our legislation it seems to be regarded as a sacred principle to limit the expenditure of the energies of the individual. I know the direction in which Senator Thomas would limit our liberties. He will prescribe our porridge for us presently. As a Democrat, I am absolutely opposed to this sort of thing. I believe in the free and complete exercise of human activity. This is an obnoxious provision, and I honour Senator FOLL for having taken action which may lead to its emendation.

Senator BARKER (Victoria) [4.8].—There seems to be a misunderstanding about the effect of the sub-clause, which I commend the Government for introducing. It applies only to certain avocations. I have known in the past of numbers of men in constant Government employment

taking, just for the sake of the extra few shillings, small jobs which were all that cripples or other physically unfit men had to depend on for a living. The Minister spoke of men in the Department taking the places of musicians. I have known cases where they have done so, at considerably less than the ruling rate of wage. Strong objections have been raised outside to that sort of thing, which cannot be defended by any plea for liberty or Democracy. No one objects to a man in the wilds along this line raising stock, and no Commissioner would prevent him, but I object to a man, getting a fair "screw," in continuous employment, taking small sums that could be earned by outsiders as gatekeepers on race-courses or at shows. Many men physically incapable of hard work make a precarious living as stage supers. at anything from 2s. 6d. to 4s. a night, yet cases have been known of men in regular Government employment trying to take that work from them. Will Senator Bakhap say that is Democracy or liberty?

Senator PRATTEN.—There will not be many theatres along the east-west railway.

Senator BARKER.—Perhaps not, but if a man has a job on that line, and his wages are not sufficient to maintain himself and his wife, it is a disgrace to the authorities running the railways for offering it, and to himself for taking it.

Senator FAIRBAIRN.—Do you want to give a man only sufficient to maintain him? Do you not want to give the poor chap a chance?

Senator BARKER.—What does the honorable senator call a "poor chap"? Does he call himself one?

Senator BAKHAP.—Get your ideas out of the cities! Get out into the big spaces of Australia!

Senator BARKER.—Why does not the honorable senator get out into the big spaces, and raise horses, cattle, pigs, or fowls? This sub-clause has nothing to do with that. It is our duty while the Bill is going through to see that men employed by the Railway Department are given sufficient wages, and I protest against men in permanent occupations being allowed to take mean little jobs outside from those who are really in need of them. I shall vote for the clause as it stands.

Senator THOMAS (New South Wales) [4.12].—I am as much against Senator Grant's amendment as I am against Senator Foll's. I do not contend that in no circumstances should a person be permitted to do work outside his official duties. The Government have struck the happy medium by leaving the matter to the discretion of the Railways Commissioner. There may be times when it would be to the advantage of the community to allow persons in Government Departments to do a certain amount of outside work. I remember one case in Melbourne, where no one outside the Federal Service could be found qualified to give instruction in a particular kind of telephone work, and after full inquiry, the Public Service Commissioner granted an officer permission to give instruction to those going in for a certain examination. If the sub-clause is passed, I do not anticipate that the Commissioner will prevent any employee along the line from raising poultry, or even cattle, in his spare time. I was pleased to hear Senator Bakhap, from Tasmania, say he was against the restriction of liberty. If the time ever comes in this Senate when we raise the question as to whether Victoria or New South Wales should be restricted to only six senators, I trust the honorable senator will remember that he is not in favour of the restriction of liberty. I doubt if in the Federal Service at the present time there are more than 300 persons at the outside permitted to engage in outside occupations, and in no case is this done without the consent of the Commissioner. I guarantee that in every case there is a very fair reason why it should be done. I am therefore quite prepared to give the Railways Commissioner the power of decision, which I am sure will be wisely used.

Senator FOLL (Queensland) [4.16].—I was not referring to men who had given long years of service to the Government Departments, so much as to men who when they first entered the Government Service received a paltry wage. There are times when many men, who have married young, find it practically impossible to keep themselves and their wives on the wage they receive on starting in Government employment.

Senator McDougall.—You want that sort of man to take a job from another man, who is even worse off.

Senator FOLL.—I want to do nothing of the sort. Nearly all the bogies raised by honorable senators are brought forward for the purpose of protecting one man at the expense of the other. No objection is to be offered, according to Senator Thomas and others, to a Government employee in the country raising produce for market in order to supplement his ordinary salary, but a Government employee living in the city is not to be allowed to do anything of the kind. This is simply making fish of one and flesh of another. A provision similar to this sub-clause caused much dissatisfaction when in force in Queensland, and under it many injustices were done. I know of a man who had an opportunity of working at a totalizator on a Queensland race-course, and in that way was able to earn 30s. on a Saturday afternoon without in any way neglecting his duties as a railway servant, but still he got into serious trouble with the Queensland Railways Commissioners. I could also quote cases of men in country districts of Queensland getting their homes together by raising poultry, cattle, growing vegetables, and engaging in other occupations in their spare time. Some of those men were able to retire at an early age from the Service and go upon farms which they had established for themselves during the time they were employed by the Railways Commissioners. Senator McDougall said he was not in favour of any Government employees competing with other individuals in their spare time; but we know that, as a rule, their hours do not allow of very much opportunity for competition with other individuals. It is probable, therefore, that Senator McDougall raised an objection to serve his own ends, because he did not make any reference to employees of private firms doing the same thing. It appears according to Senator McDougall that, simply because a man happens to be a Government employee, he is to be prevented from doing what other people are allowed to do.

Senator THOMAS.—Do you think Government employees should be dismissed at a moment's notice, as in the case of employees in private firms?

Senator FOLL.—If a Government employee neglects his duty he may be dismissed in the same way as an employee of a private firm. If he is not discharged for neglect of duty, the official who should have dismissed him must be

neglecting his duty. Senator Russell mentioned that exceptions are to be made in the cases of men fortunate enough to secure positions as secretaries of unions and lodges, but that does not remove the objection I raised to the sub-clause, namely, that it will operate unjustly on every employee who may desire to do something in his spare time. The fact that similar provision has been inserted in the Acts of the various States does not prove it right; but, on the contrary, according to my view, that is all the more reason why it should be wiped out of the Bill because there are more men suffering under this injustice than I thought was the case.

Senator BAKHAP.—Does the honorable senator say it has been emendated from the Queensland Act?

Senator FOLL.—Yes, it was found to work so unsatisfactorily that it was excised about eighteen months ago. I commend the Queensland Government for having done that, and I trust that the amendment will be carried.

Senator MILLEN (New South Wales—Vice-President of the Executive Council) [4.25].—Before the Committee decides this matter I wish again to direct attention to one point which seems to me to have been very much in evidence during the discussion, namely, that it is necessary to discriminate between employment and any other effort which a Government railway employee might make to add to his income. Senator Bakhap drew a most entrancing picture of sylvan money-making by describing how State employees could engage in the production of horned cattle, such as goats, as well as poultry, and so on. I remind the honorable senator, however, that a provision similar to this appears in every Railways Act, and yet honorable senators—who for their manifold sins are obliged to travel continually upon our railways—must have noticed fettleers engaged in bee-raising and other occupations to add to their incomes without in any way offending the spirit of the provision referred to. This sub-clause is not a prohibition against men doing anything of that sort, but it is a prohibition against a Government servant entering into the service of another man.

Senator PRATTEN.—Why not so define it, then?

Senator MILLEN.—It is so defined, because where there is employment there must be an employer. If honorable senators will bear that in mind, and bear in mind also the scriptural injunction that no man can serve two masters, they will, I think, see the wisdom of the sub-clause as it stands. It does not in any way impair any opportunity which a man may have of devoting his spare time to those occupations which may add to his income; but I submit that the Commissioner must be intrusted with the control of Government railway employees, and of deciding whether a man's acceptance of a particular employment is detrimental to his position as a Government employee or otherwise.

Senator BAKHAP.—Does not the honorable senator see that the phrase "engage in any employment" is synonymous with "engage in any occupation"?

Senator MILLEN.—No, it is not. This provision, which is contained in every other Railways Act of the States, is interpreted as I have indicated.

Senator BAKHAP.—Senator Foll has just told us that it has been excised from the Queensland Act.

Senator MILLEN.—It is in the Victorian, New South Wales, and South Australian Acts at all events, and even if, as Senator Foll indicates, it has been removed from the Queensland Act, that cannot be taken as conclusive evidence that it is not advisable to retain it in this Bill. Even in the case of men offering for outside employment, there is power in the Bill for the Commissioner to grant exemptions from the operation of this sub-clause, which, I submit, is necessary for the maintenance of discipline in the Service, and, to some extent, to act as a check against an undesirable practice of allowing public servants to compete in the open labour market. I ask the Committee to allow the sub-clause to remain as it stands, and rely on the good sense of the Commissioner to interpret it in a reasonable manner.

Senator DE LARGIE (Western Australia) [4.30].—It is a pity that we have approached the discussion on this Bill before honorable senators have had an opportunity of realizing the nature of the country through which the east-west line passes, and the condition of isolation imposed upon men who will be engaged on that railway.

Senator SENIOR.—There will be other railways in the future.

Senator DE LARGIE.—But such lines will traverse country very much in the nature of that through which the east-west railway passes, and my argument will still hold good. We must bear in mind that railway men employed on that line will have a great deal of spare time on their hands, and that being so, are we going to prevent them from doing anything outside of their regular employment? Suppose that, in a certain place, there is an ample water supply, and that by cultivation railway men could grow sufficient for themselves, or for somebody else, along the line where water is not procurable, are we going to be so unreasonable as to prevent that being done?

Senator PRATTEN.—The Commissioner will have that power.

Senator DE LARGIE.—I do not think the Commissioner would be so narrow in his definition of employment. We can safely leave this matter to his common sense. Therefore, I shall support the sub-clause as it stands.

Amendment negatived.

Amendment (by Senator FERRICKS) again proposed—

That the following new sub-clause be added to the Bill:—"4. No employee under this section shall, without the written consent of the Commissioner, accept a gratuity from a member or members of the public using the railway."

Senator NEEDHAM (Western Australia) [4.32].—The amendment moved by Senator Ferricks is worthy of consideration. All honorable senators, as well as members of the other branch of the Legislature, are subject to the present system of tipping. The insertion of the proposed new sub-clause will be an innovation in our legislation.

Senator GUTHRIE.—What will be the value of it unless we make it a penal offence?

Senator FERRICKS.—That will be for the Commissioner to do.

Senator NEEDHAM.—It is a step in the right direction. In the course of his remarks, Senator Ferricks referred to a judgment by Mr. Justice Higgins in relation to stewards and pantrymen on coastal steam-ships. Personally I was much surprised that His Honour should have made any allowance for tips as remuneration to such employees. It was a most remarkable thing to do. If, in the wages paid to a steward an allowance be

made for tips, obviously it is the passenger, and not the employer, who pays those wages.

Senator Colonel ROWELL.—The passenger will have to pay in any circumstances.

Senator NEEDHAM.—I do not think so. The tipping system is degrading alike to the man who gives the tip and to the recipient. I do not know of any employers in the Commonwealth who are better able to pay a proper living wage to their employees than are the shipping companies of Australia. I was astonished when Mr. Justice Higgins made this allowance for tips in the case of stewards.

Senator DE LARGIE.—That decision no longer holds good.

Senator NEEDHAM.—The award given by His Honour still stands.

Senator DE LARGIE.—Not at all.

Senator NEEDHAM.—I shall be very glad if Senator de Largie can prove to me that the award has been varied to the extent that the Arbitration Court does not now take into consideration the tips received by stewards on our coastal steamers.

Senator DE LARGIE.—That is very easily proved.

Senator NEEDHAM.—I think that when the honorable senator attempts to prove it he will be undertaking a very difficult task. I have read the variations of the award given by Mr. Justice Higgins, and I say that they do not vary in any particular the allowance made by him for tips.

Senator GUTHRIE.—But the Stewards Union passed a resolution prohibiting its members from accepting tips.

Senator NEEDHAM.—Probably that is what is agitating Senator de Largie's mind.

Senator GUTHRIE.—How is the honorable senator going to prevent tipping?

Senator NEEDHAM.—Perhaps it will be difficult to accomplish by legislation. I know that there is one honorable senator present who would like to make men teetotallers by Act of Parliament. He will never succeed in doing that. But the experiment proposed by Senator Ferricks is one which is worth while trying so long as the Government pay to our railway employees a reasonable living wage. If those employees received such a wage, there is no reason why they should augment their earnings by the acceptance of tips. I venture to say that the amendment is one which will appeal to the employees themselves. The average Australian is very

independent. Indeed, I know of many instances in which tips have been refused by railway servants.

Senator PRATTEN.—Those instances represent a very small percentage of the whole.

Senator NEEDHAM.—I do not think so. I have travelled the Commonwealth quite as much as has Senator Pratten, and I have frequently met men who have refused to accept tips.

Senator REID.—Where?

Senator NEEDHAM.—In the capital of the State which the honorable senator represents.

Senator PRATTEN.—How much was the amount of the tip?

Senator NEEDHAM.—In reply to the inquiry of my honorable friend, I merely wish to say that I am not a Scotchman. So long as we pay our railway employees a reasonable living wage, there is no need for them to receive gratuities. I shall support the proposal of Senator Ferricks.

Senator THOMAS (New South Wales) [4.42].—I entertain the greatest sympathy for the amendment. My only objection to it is that it is impracticable. We all realize that tipping is a very bad practice indeed. But that is no reason why we should not attempt to suppress it. So long as a railway employee receives a reasonable wage for the services which he renders, he has no right to accept gratuities from the travelling public. But in spite of all that we may say upon this question, it is undeniable that the tipping system, instead of decreasing, is increasing, and increasing to the disadvantage of the general public. The evil is a very acute one in England, where, on my recent visit, I did not encounter one person who refused a tip. There, however, the wages paid to quite a number of officials are very low, and, naturally, those officials endeavour to make up the deficiency in tips. The conditions in Australia are very different. When passing through Canada I found that the tipping system, particularly on the railways, had been reduced almost to an exact science, because the controllers of the railways of the Dominion are imbued with the idea that if the wages paid to the employees who come into close contact with the passengers are low, those employees will be more attentive to the needs of the travelling public, and, generally, more servile. In other words, we were assured that the practice of tipping

was an integral part of the system which obtained there. I should be very sorry to see such a system introduced into Australia. Every passenger has a right to civility and courtesy at the hands of railway employees; but railway employees, on the other hand, have an equal right to expect civility and courtesy from passengers. But if civility is exhibited on both sides, the employee can surely discharge his official duties without any hope of receiving a gratuity. Although I think that the proposal of Senator Ferricks, if adopted, will probably remain a dead letter, we have a right to continue our efforts to suppress an admitted evil until we succeed.

Senator RUSSELL (Victoria—Honorary Minister) [4.48].—The sympathy of the Government, it is almost needless to say, is with the mover of the amendment. The donor of a tip is invariably actuated by the purest motives in that he merely desires to render a favour in return for a favour. But the receiver of a tip is unquestionably humiliated by its acceptance. I have no objection to the proposal of Senator Ferricks as a moral placard, but I do not think the world has yet reached that stage when the evil of which he complains can be abolished. It is the intention of the Minister for Works and Railways to frame a by-law which will absolutely prohibit tipping—a by-law similar to that which is already operative in the various States of the Commonwealth. But, as we all know, that provision is more honoured in the breach than in the observance. Honorable senators can best assist in suppressing the tipping evil by themselves refusing to give tips. When that practice has become an established one, I shall be glad to join their brigade, but not before. I ask honorable senators not to put the provision in the Bill. I give them the assurance, on behalf of the Minister for Works and Railways, that tipping will be absolutely prohibited under the by-laws.

Senator FAIRBAIRN (Victoria) [4.50].—I hope, with Senator Russell, that the amendment will not be pressed. I agree with other honorable senators that the tipping system is most objectionable and painful. The last time I had the pleasure of being in London my life was made an absolute burden to me, because at every meal I took I was wondering all the time what sort of a tip I was expected to give to the German waiter. A friend

of mine compounded with the manager of one hotel by offering to give 10 per cent. on his bill for tips.

Senator FERRICKS.—Probably all those German waiters were secret service agents.

Senator FAIRBAIRN.—I think that is quite likely. The difficulty is that whilst we have a great many laws in operation in Australia, very many of them are continually broken. The worst thing we could do is to pass a law if we are not determined that it is to be rigidly enforced.

Senator THOMAS.—The Customs Act is sometimes broken.

Senator FAIRBAIRN.—That is so, but the people who break it have to suffer if they are found out. If we carry the provision proposed by Senator Ferricks, tipping will go on all the same, though perhaps it may be done a little more quietly than heretofore. If the insertion of such a provision in the Bill would prevent tipping, I should gladly support it, but I do not think it would have any such effect. Honorable senators are aware that our game laws are continually broken, and that in some cases even policemen are known to go out shooting in the close season. When travelling through New South Wales I found that on the main lines, where tips are very frequently given, they did not have any lowering effect upon the porters who were tipped. When I got on to the lines in the back country, I found a different state of affairs, because, whilst the railway employees would not accept a tip, neither would they carry my swag. I had to carry it myself. As Senator Russell has suggested, tipping seems to be one of the frailties of human nature, and until we all become angels I doubt whether any law we may pass will put an end to it.

Senator DE LARGIE (Western Australia) [4.54].—I think that we may very well leave this matter in the hands of the Railways Commissioner. I have some reason for saying so, because of a little experience I had on a journey over the Kalgoorlie to Port Augusta railway. There was a fair company of us making the journey, including the present Engineer-in-Chief. We decided not to adopt the practice of tipping on that occasion, and I am sure that the present Engineer-in-Chief of Commonwealth Railways would be only too glad to prevent tipping.

Senator NEEDHAM.—Will he be travelling on every train on the Commonwealth railways?

Senator DE LARGIE.—If any senator other than Senator Needham had asked that question, I should think that there was a joke behind it. But, as the honorable senator never jokes, his interjection must have some hidden meaning, which at the moment I fail to grasp. It is said that he was a courageous man who first ate an oyster, and, in the same way, it takes a considerable amount of courage to break an established practice like that of tipping. But if we begin well in connexion with our Commonwealth railways we shall not find it difficult to maintain the practice of refusing to offer tips.

Senator PRATTEN (New South Wales) [4.55].—I hope that Senator Ferricks will not withdraw his amendment, I am one of the guilty mortals, having tipped north, south, east, and west in two hemispheres and five continents. I have known very keen efforts made by very large caterers and hotel-owners in various parts of the world to put down the practice of tipping. To my mind, it is a relic of a barbarous age, when men were asked to work for nothing and beg for what they could get. Going about the world as I have done, I divide tippers into three classes. One class comprises the vain men, who wish to make a provocative display of their wealth; another class is comprised of persons who have no backbone or will of their own, but must do as other people do; and the third class is made up of those selfish persons who give money in tips to pay for extra services for themselves which belong to the public generally. I hope that Senator Ferricks will persist in his endeavour to see whether, on the new railways of this young Commonwealth, we cannot set out upon a course of our own in this matter. I know that attempts have been made on the State railways to put down tipping, but we have, in connexion with the Commonwealth railways, an absolutely clear course, and I trust that, not only will the amendment be carried, but that it will be followed by its necessary corollary in the form of a clause making it penal for any person to give a tip.

Senator NEEDHAM (Western Australia) [4.59].—Senator de Largie, in speaking against the amendment, told us

that he travelled over the Kalgoorlie to Port Augusta railway in company with the Engineer-in-Chief of Commonwealth Railways, and that the party of which they were members decided to give no tips, and none were given by them. I very innocently asked the honorable senator whether the Engineer-in-Chief would be travelling upon every Commonwealth railway and in every train. I am prepared to believe that if Senator de Largie and the Engineer-in-Chief of Commonwealth Railways were travelling by a train, no tip would be given, but they cannot travel by every train, and on every Commonwealth railway at the same time. So that the honorable senator's joke is turned against himself. I think that Senator Pratten has put this matter in a nutshell. It is all very well to say that we should refrain from giving tips ourselves, but what will happen if we do.

Senator BAKHAP.—What is done by every parliamentary Committee that travels by the railways. A subscription from each is put into the hands of the secretary to be expended in tips.

Senator NEEDHAM.—The Honorary Minister has said that a by-law will be passed forbidding tips, and if that is the intention of the Government, why not put a provision to that effect into the Bill? The honorable senator may not attach as much importance to the amendment as do other members of the Committee.

Senator RUSSELL.—I say it will be covered by the by-laws.

Senator NEEDHAM.—If it is to be covered by the by-laws, there is no reason why it should not be included in the Bill.

Senator FERRICKS (Queensland) [5.3].—With respect to the practicability of the amendment, I should like to remind honorable senators that a considerable advance has been made in Victoria in the reduction of the tipping evil. At the present time, there are to be found on the Spencer-street railway station no less than thirty-seven licensed luggage porters who devote their attention to passengers' luggage. If a porter in the service of the Railway Department accepts a tip, and one of the thirty-seven licensed luggage porters sees him do so, he will report him. I know that is so, because when I first came to Melbourne I approached one of these licensed luggage porters, with a red band round his cap, thinking that he was a

railway porter. I wanted him to see that eight packages which I was not taking with me at the time were put into the cloak room. I went up to this man with a two-shilling piece showing in my hand, and asked him to see that the packages were placed in the cloak-room. I believed that the charge would be 2d. per package, and I was not going to wait for the change. The man said, "This is no good to me." I thought this was rather a strange reception, and I interviewed the foreman porter, who told me that my packages would be taken to the cloak-room in the ordinary course, and I had only to keep my checks for them. The licensed luggage porter was watching us, and he subsequently reported the foreman porter for having accepted a tip from me. Explanations followed, and I was able to inform the stationmaster that I had given no tip to any of his men. I know that tips have been refused on the dining-cars. If we do not make some attempt to put down the system of tipping on our railways, the number of our railway employees will increase as time goes on, and a vested interest in tips will have been created which it will be very difficult to handle. There is nothing to prevent honorable senators doing what they believe to be right in this matter now. No member of the Committee has justified tipping, or expressed any sympathy with it, so that, in the opinion of every honorable senator, it must be a bad system. Why have they not the courage to support the amendment, and make an attempt at reform? The Minister said that the millennium would have to arrive before human nature would be developed to that standard, or words to that effect. That is a very weak attitude for him to take up on behalf of the National Ministry. Have we not the courage to endeavour to make this reform?

It is suggested that we should leave this matter to be dealt with by by-laws. It is so dealt with under every other Railway Act, and, with the exception of Victoria, I do not think that any progress or advancement has been made. If it is good enough to be dealt with in that way it is good enough to be included in this clause, especially when we notice that sub-clause 3 deals with practically the same matter, namely, the question of railway servants being paid for outside employment. Railway porters and conductors are put on a station or a train to

do certain work. They are put there by their director, not to make any discrimination between classes of travellers, but to do their allotted duty. Why should they be encouraged to neglect persons who are not able to give them tips, and run round and dance attendance upon those who can tip? Why should the rich have the privilege of obtaining this almost personal attendance at the hands of railway employees, and those who are not able to tip be left, even if they be ladies, struggling with children, to battle with their own luggage and encumbrances?

Senator MAUGHAN.—Those are the worst cases.

Senator FERRICKS.—It has been suggested by an honorable senator on the other side that a penalty ought to be provided. I do not mention a penalty, because I take it that the acceptance of a tip will be a breach of the directions or commands of the Commissioner, in which case he will impose his own penalty. Just as in the case of a man who took outside work without the Commissioner's sanction, the receiver of a tip would be guilty of an offence. In regard to a man who gives or offers a tip, provision is made in a succeeding amendment for the infliction of a fine of £10.

The tipping system has a most detrimental effect upon our national standing, and it is degrading to our manhood. I cannot agree with Senator Bakhap, or anybody else, when he says that the effect of a man dancing attendance on a traveller in the expectation of receiving a tip—

Senator BAKHAP.—I did not say anything about that.

Senator FERRICKS.—Well, I say it. The better instincts of that man's manhood are being interfered with. It is bringing up a nation addicted to servility. How can we expect to build up a nation if we encourage men to dance round others in the anticipation of receiving a tip. If this question is to be tackled, now is the time to make an attempt, before there are great numbers of men employed on the transcontinental railway. There will be an infinitely better chance of effecting a reform now than there would be twelve years hence, when a larger number of men would be engaged, and the pernicious practice would have been established. Seeing that there is no one opposed to the amendment, I appeal with every confidence to honorable senators to support it.

Let us give this reform a trial, and let Australia lead the world. If we have not succeeded anywhere else, I think we can succeed on the Commonwealth Railways.

Senator REID. (Queensland) [5.9].—I am in full sympathy with the attempt which Senator Ferricks is making to reform the tipping system. Every one here has condemned it as a very pernicious system. I think that Senator Russell put the matter very well when he said, "We all preach, but very few of us have the courage to put our precept into practice."

Senator FERRICKS.—I have practised it for five years.

Senator REID.—Every one knows the difficulty of suppressing the evil. I recognise that if all members of Parliament were to cease to tip it would make very little difference to the public, and the porters and guards would say, "These parliamentarians are the meanest lot who travel." I will give just one example of the perniciousness of the tipping system. I was living in London when the Germans came over there as waiters. When they got into the hotels and restaurants they received very low wages. They were obnoxious in pushing for tips. Time passed, and then the Germans offered their services for nothing, and lived on the tips they received. It ended in the men offering premiums to the hotels to be engaged to get the tips.

Senator FERRICKS.—Using German Secret Service money.

Senator REID.—That was quite a common thing. It turned out that all the best hotels and restaurants were run by German waiters, who had each paid a premium to get a position. Eventually it was disclosed that the German waiters were subsidized and belonged to the German spy system. The tipping permitted the Germans to get these positions. No one can defend the system. I have always felt very strongly against it. Personally, we all like to be kind to an obliging person. There is always a desire to remunerate a man for a kindness shown. There are grades of employment where the great majority are ever looking for tips and putting themselves out of the way to give a hint to a man if he does not offer a tip that on the next occasion he travels they will not take notice of him. I recognise that it is very difficult to do away with the system. The only good thing I can see about the amendment is

that it is a declaration by the Senate that the tipping system is pernicious to the manhood of Australia. It is a public declaration that the Senate objects to the degrading system of tipping, and considers that every person should get remunerated according to the services he renders. My view is that a prohibition against tipping will be obeyed just as much if it is made in the Bill as it would be if embodied in a by-law. Those who travel are aware that the tipping system is becoming a curse. Some years ago it was not half so prevalent anywhere in Australia as it is to-day, and in Queensland I think it is less prevalent than it is in other States. The evil is growing. It should be declared in this measure that in the view of the Senate it is a right thing for a railway employee to render a service to a man without looking for a tip. I shall vote for the amendment on that ground.

Senator BAKHAP (Tasmania) [5.15].—It may, as a matter of expediency, be desirable to say something about tipping; but I certainly am going to protest against the thing being looked at in the light of an offence, and against hearing the adjective "degrading," and so forth, applied to the practice. The principle of tipping is founded in human nature. It is a desire to pleasantly mark a sense of appreciation of services rendered, and, while in some countries it is degenerating into a system of substituted payment for a substantial wage which the employees should receive from the employer, in Australia it does not resemble the practice in the Home country, and even there it is not nearly so bad as it is on the Continent of Europe. I know something of the nature of Senator Needham, and I venture to say that, despite the fact that he stood here and made a statement about the iniquitous nature of tipping, he would be the very first man on a boat or a train to mark his sense of some kindness shown to him by a steward or a guard.

Senator NEEDHAM.—Do not make any mistake.

Senator BAKHAP.—No; I know enough about the honorable senator to know that I am not making a mistake.

—Senator FERRICKS.—Why should a guard or a porter pay to him attention which he would not pay to a man who did not tip him?

Senator BAKHAP.—Why should not the guard or porter give the attention in a friendly spirit, and not in a cold and aloof fashion? One man may render a service in a most kind, enthusiastic fashion; another man may perform a service in a cold, aloof style, and human nature being what it is, does not one think that a person to whom a service is warmly rendered will mark his sense, not of obligation, but of friendly appreciation?

Let Senator Ferricks reflect upon what a steward has to do on a vessel or a train which is going over a very long stretch. Some persons are subject to train sickness as others are to nausea when they go on board a ship. I know that at times services of an almost revolting kind have to be performed by public servants. I would be very sorry indeed to get off a train when a service of that kind had been rendered to me without marking my sense of appreciation of the way in which it was performed. I even ventured to interject that the practice of tipping has scriptural warrant, and as interjections of that kind in the cold pages of *Hansard* sometimes permit of an unusual construction being placed upon them, I shall make myself quite clear. In my salad days, when I did read the Scriptures, I remember coming across the parable of the talents. One individual was given one talent, and he hid it in a napkin, and did nothing with it. He thought that he was a most praiseworthy individual for having preserved what his master had given him. Another individual was given ten talents, and he gave them a most profitable run. When the master came home, and required an account of the manner in which his servitors had employed the gifts, he was very wrath that the man had done nothing with the one talent but keep it, and ordered that it be taken away from him and given as a tip to the man who had successfully employed the ten talents.

I protest against making an offence out of every innocent action. Tipping is not a practice that I indulge in to an inordinate extent. My tips are modest, and so long as I like to offer them I shall find people willing to take them, for that also is human nature. I deprecate the statement that any one who renders service is necessarily doing something servile. There is an honour and glory in service well rendered, and I hope the travelling public appreciate the fact that a man is no less a man because he is a railway guard. He is a free

man serving his country, and rendering, in times of peace, just as worthy service as a soldier may render in time of war. There is nothing derogatory to a man in being employed by his country in a civil capacity. I do not agree that he is servile because he is a public servant, and if he does something for me and I give him 6d. or 1s. he is none the less a man for accepting it. He knows I am not materially impairing my own stock of money, and he knows that the small amount does not add greatly to his. Do not honorable senators derive more pleasure from the small perquisites of their seats in Parliament than from the parliamentary allowance which is given them to reimburse their expenses, and which is sometimes not sufficient to meet the needs of the occasion? Even a 6d. or 1s. given in a spirit of friendship or recognition of service well rendered will give more pleasure to the recipient than, perhaps, a pound which he earns himself. I deprecate the tendency to regard tipping, whatever its virtues or demerits, as an offence. While I am in the Senate I shall raise my voice against the multiplication of offences, or the tendency to put upon necessary acts, or acts of a neutral character, the complexion of an offence against the State and the principles of good government. I believe in men being well paid, but, human nature being what it is, you may give every public servant £5 a day, and then, if you are sensible of the fact that he has rendered very good service, and you offer him a tip, he will accept it, knowing that he is not being degraded by doing so, but only accepting a kindness offered in a friendly and fraternal spirit. Without posing as the embodiment of the spirit of generosity, and without greatly defending the practice of tipping, I have no hesitation in opposing the amendment.

Senator FERRICKS (Queensland) [5.25].—I should like to learn from Senator Bakhap something about the perquisites attached to a seat in Parliament. I have had seven years of parliamentary life, and have not even seen one of the things he speaks of.

Senator BAKHAP.—Do not the racing clubs send you a ticket sometimes?

Senator FERRICKS.—As I never go to a race meeting, that does not affect me, and as I do not render the racing clubs any service, I do not dance attendance on them in the expectation

of receiving tickets. My proposal to abolish tipping is not a reflection on public servants, into which Senator Bakhap endeavours to twist it. We oppose the tipping system because we say that men who render certain services should be paid adequately for them by those who employ them, and should not have to depend on gratuities from the public to bring their pay up to a living wage.

Senator REID.—It is only to the lower paid men that people offer tips.

Senator FERRICKS.—Senator Reid will bear out my statement that a few years ago, in the Queensland railway service, the inducement was actually held out to railway employees to bring their pay up to a living wage by tips or other methods. Up to a few years ago they were not getting a living wage. The pay for fully-fledged porters in the Queensland railways was only 5s. a day. The evil was intensified by the fact that a number of lad porters were employed, many of whom, including myself, were at that time physically better men than they have ever been since. They were employed at anything from 10s. to 25s. a week. How were they to live? How was a married man to bring up a family on 5s. a day if he did not supplement his income by tips from the travelling public? He would have to pay Senator Bakhap, or any other likely-looking mark, extra attention. Senator Bakhap, if he went up there, would get the "milk of human kindness" that he spoke of all round him, if not upon him, in anticipation of a tip. The principle of tipping not having been defended, it only remains for honorable senators to put the amendment in the Bill, thus making an honest endeavour to lead the way in this reform in the control of the national railways. If they do, I am confident that beneficial results will follow.

Senator GRANT (New South Wales) [5.29].—I admire the persistency with which Senator Ferricks has fought this question for many years, and support him in his endeavour to incorporate this provision in the Bill. I do not know that it will be much more effective there than in a by-law, but one would think, from the slack way in which regulations in this regard are enforced on the State railways, that the Railways Commissioners were sharing in the spoils extracted from the public. Many people think that, no matter what is done, the tipping system will still go on, but if a stiff penalty is im-

posed it will be checked as other abuses have been. Men employed by public Departments, shipping companies, hotel-keepers, caterers, and others ought to be told that their proper source of income is from their employers direct, and not from the wealthy section of the travelling public. The poorer section of the travelling public are more than likely to be ignored under present conditions, and the best attention given to those who are likely to pay best. Although the Minister's request to be allowed to include the amendment in the by-laws seems reasonable, the proper thing is to put it in the Bill, and follow it up by a substantial penalty provision, which will catch the Bakhaps and others who are inclined to violate the law in that respect.

Question.—That the proposed new sub-clause be added to the Bill—put. The Committee divided.

Ayes	9
Noes	16
Majority	7

AYES.

Barker, S.	Pratten, H. E.
Grant, J.	Reid, M.
Maughan, W. J. R.	Thomas, J.
Needham, E.	<i>Teller:</i>
O'Loughlin, Lt.-Colonel	Ferricks, M. A.

NOES.

Bakhap, T. J. K.	Pearce, G. F.
Bolton, Lt.-Colonel	Plain, W.
Buzacott, R.	Rowell, Colonel
Crawford, T. W.	Russell, E. J.
Fairbairn, G.	Senior, W.
Henderson, G.	Shannon, J. W.
McDougall, A.	<i>Teller:</i>
Millen, E. D.	de Largie, H.
Newland, J.	

Question so resolved in the negative.

Amendment negatived.

Clause agreed to.

Senator PEARCE (Western Australia—Minister for Defence) [5.35].—On behalf of the Honorary Minister, I move—

That the following new clause be added to the Bill:—

"47A. The Arbitration (Public Service) Act, 1911 shall apply to the Railway Service in like manner as it applies to the Public Service of the Commonwealth.

Provided that in its application to the Railway Service any reference in that Act to the Public Service Commissioner shall be read as a reference to the Commonwealth Railways Commissioner."

The effect will be to bring servants on the Commonwealth railways in line with

other Commonwealth servants, and make the Bill accord with the policy expressed in the Public Service (Arbitration) Act.

Senator NEEDHAM (Western Australia) [5.36].—I am glad to know that the new clause is to be inserted, as I understand it will give the employees of the Commonwealth railway the same rights in regard to the Conciliation and Arbitration Court as are enjoyed by members of other Commonwealth organizations.

Proposed new clause agreed to.

Clauses 48 to 50 agreed to.

Clause 51 (Certain salaries not to be increased by Commissioner without approval).

Amendment (by Senator RUSSELL) agreed to—

That the following sub-clause be added:—

“(2) In this section the words “salary” and “wage” include all allowances other than travelling allowances.”

Clause, as amended, agreed to.

Clause 52—

(1) Any person—

(a) who is at the commencement of this Act or any time thereafter employed in the Railway Service; and

(b) who is appointed to a permanent office therein; and

(c) who, prior to his first employment in the Railway Service held a permanent appointment (in this section referred to as “prior permanent employment”) in the Public Service of the Commonwealth, the Public, Railway, or other Service of a State, or under any authority constituted under a State; and

(d) whose employment in the Railway Service has been continuous with his prior permanent employment.

shall, subject to this section, be entitled—

(i) to have the period of his prior permanent employment reckoned as employment in the Railway Service for the purpose of computing any annual, sick, or long service leave under any by-law; and

(ii) to receive upon his retirement from the Railway Service compensation, retiring allowance, or gratuity to such amount or at such rate as he would have been entitled to receive at the time of his first appointment to the Railway Service had he at that time been eligible to retire from his prior permanent employment as having attained the retiring age:

Provided that an employee shall not be entitled by reason of his prior permanent employment to long-service leave or leave upon retirement for a longer period than four months.

(2) For the purposes of this section employment in the Railway Service shall not be deemed not to be continuous with prior per-

manent employment by reason only that a period of not more than three working days elapsed between the termination of the prior permanent employment of an employee and the commencement of his employment in the Railway Service.

Senator NEEDHAM (Western Australia) [5.41].—I move—

That after the word “employed” in paragraph a, the words “in connexion with any railway worked by the Commonwealth or” be inserted.

Honorable senators have been supplied with copies of the amendments which I desire to move in this clause, and I will take the sense of the Committee in regard to the first. If this is carried, other consequential amendments will have to be made. My object is to cover the whole of the employees in the Commonwealth Railway Service from the time of the survey up to the present. In my second-reading speech I referred to this clause, and expressed a doubt whether those officers who had left State employment to join the Commonwealth Service were really being protected. The clause appears to have been loosely drafted, though I do not think there is any evidence of intention on the part of the Government or those responsible for the draftsmanship of the Bill to overlook the officers I have referred to. I notice that Senator Newland has circulated amendments of a similar character, and I think the Committee will see the advisability of agreeing to those I have indicated.

Senator RUSSELL (Victoria—Honorary Minister) [5.47].—Senator Needham is endeavouring to accomplish what is exactly the object of the Government. There is just a little doubt as to whether the intention of the Government has been correctly expressed. I have had an opportunity of discussing the matter with the honorable senator, and I suggest that he adopt the amendments drafted by the officers of the Department, and which have the same object in view.

Amendment, by leave, withdrawn.

Amendments (by Senator RUSSELL) agreed to—

That the word “or,” line 3, be left out, with a view to insert in lieu thereof the words “employed in the construction or working of any Commonwealth railway or is at.”

That the word “therein,” line 6, be left out, with a view to insert in lieu thereof the words “in the Railway Service.”

That after the word “employment,” line 7, the words “in the construction or working of any Commonwealth railway or” be inserted.

Senator NEWLAND (South Australia) [5.55].—I move—

That the following new paragraph be added to sub-clause 1:—“(iii) to have any existing or accruing rights to pensions and retiring allowances preserved to him on the basis that would be permitted by the law of the State if the service to the Commonwealth were a continuation of his service to the State.”

Paragraph (ii) sets out that any officer transferred from a State railway service to the Commonwealth railway service shall have his retiring allowance computed as from the date upon which he joins the Commonwealth Service. In other words, he will have no accruing rights after he enters the Commonwealth Service. The provision thus lays down a principle which is absolutely alien to other Commonwealth Acts so far as they relate to transferred officers.

Senator PEARCE.—But those Acts deal with transferred Departments, and this is not a transferred Department.

Senator NEWLAND.—I wish to preserve to men who may be transferred from a State railway service to the Commonwealth railway service their existing and accruing rights. The principle, I repeat, is recognised in quite a number of Federal Acts. I know that the position which I desire to create will be a somewhat difficult one, for the reason that men may join the Commonwealth railway service from every State railway service in Australia. A man from New South Wales would enter the Commonwealth Service with certain rights under the New South Wales Railways Act, a second individual from Western Australia would have specific rights under the Western Australian Railways Act, whilst a third would have different rights under the South Australian Railways Act.

Senator PEARCE.—But there is another class altogether, consisting of men who were not in a State railway service.

Senator NEWLAND.—Their rights will commence under the Bill which we are now considering. I know that men have left the Victorian and South Australian railway services to join the Commonwealth on the distinct promise that their existing rights would be preserved to them. Otherwise they would not have entered the Commonwealth Service.

Senator RUSSELL.—The honorable senator says that a distinct understand-

ing was made with those men, and we deny that statement absolutely. The honorable senator ought to give us some evidence in support of his declaration.

Senator NEWLAND.—My evidence is the statement of the men themselves. But if the Government deprive these employees of rights which they had under State law simply because they were not promised that those rights would be preserved to them, they will be guilty of conduct which is highly reprehensible. I am quite confident that this Chamber will never indorse their action. At the time of their transfer the men were quite satisfied that they would suffer no disability as the result of joining the Commonwealth Service. The only objection which can be urged to my amendment is that it will create conflicting interests for a few years, when these men will have to retire. The Commonwealth Government will have had the benefit of the experience of these men in setting the railways of the Commonwealth going, and all I ask is that they should not be called upon to suffer because they transferred from the service of the State to that of the Commonwealth. It is absurd for the Honorary Minister to ask me to produce evidence that a promise that they would not suffer was made, because the men must have come from the State Service to that of the Commonwealth on a clear understanding that their transfer would not mean that they would be placed in a worse position than they were in under a State Government. I submit the amendment in order that it may be made clear that men transferred from State railway systems to that of the Commonwealth, shall have preserved to them their existing and accruing rights, just as those rights have been preserved to men transferring to other Departments of the Commonwealth from service under a State Government.

Senator RUSSELL (Victoria—Honorary Minister) [6.7].—I am afraid that there is some misunderstanding on the part of honorable senators as to the purpose of the amendment. It is a mistake to confuse transfers from State to Commonwealth control in case of the Customs and Post and Telegraph Departments with transfers from State railway systems to the railways to be conducted under this Bill. In the case of the Customs and Post and Telegraph Departments, there was a transfer of the whole

of the Departments from ownership by the the State to ownership by the Commonwealth.

Senator NEWLAND.—That applies also to the Port Darwin and Port Augusta to Oodnadatta railways.

Senator RUSSELL.—The officers of the Customs and Post and Telegraph Departments had all their rights preserved, because they were transferred with those Departments to the control of the Commonwealth Government. This, Bill will deal with men who have undertaken to work at construction and in the running of the Commonwealth railways without any inducement being offered to them to do so. Their transfer to the Commonwealth Service has been purely voluntary, and made without a promise of any kind. Some persons may contend that promises were made, but I am advised that there is no record of any promise having been made by a Commonwealth Minister or a responsible officer of the Railway Department. In the different States there are six varying sets of conditions of service in the Railway Departments, and varying rights conferred upon employees of those Departments. We shall, no doubt, be getting men from each of the different States, and it is very desirable that they should all start in the Commonwealth Service on a uniform basis. The Bill provides that all existing rights up to the date of their leaving the service of a State for that of the Commonwealth shall be recognised. But once they enter the Commonwealth Service the conditions under which they serve will be those applying to all railway employees of the Commonwealth. I would like to remind Senator Newland that one effect of his amendment, if accepted, would be to handicap men in the State Railway Services desiring to transfer to the Commonwealth. If he were Minister for Works and Railways in the Commonwealth Government, and he had the choice of accepting the service of a man who had no accruing rights, and that of a man who had accruing rights under a State Department, he would prefer to take the first man. We are dealing here with a new Department.

Senator NEWLAND.—What about the Northern Territory railway?

Senator PEARCE.—That was a railway taken over by the Commonwealth.

Senator GUTHRIE.—But the Bill will apply to all Commonwealth railways.

Senator NEWLAND.—There are some permanent men on the Port Darwin line who will be brought under this Bill.

Senator RUSSELL.—The Bill will preserve to them all rights existing at the time they joined the Commonwealth Service. If a man, starting a new business in a district, engages an employee of an existing business; why should he be asked to continue to him the rights which the employee enjoyed under somebody else?

Senator GUTHRIE.—We are not dealing with somebody else in this case. We are dealing with the people of Australia all the time.

Senator RUSSELL.—I remind honorable senators that the rights and privileges conferred upon employees under this Bill may be even superior to those which would have been enjoyed by transferred men if they had continued in the service of a State. The purpose of this Bill is to make the rights of all the Commonwealth railway employees uniform. A man possessing special rights in the service of a State may be trusted to recognise what he is doing when he makes an application to enter the service of the Commonwealth.

Senator NEWLAND.—Applications were called three years ago for men for the Commonwealth railways.

Senator RUSSELL.—But they were guaranteed no special privileges. Scores of men have transferred from the State Railway Services to the Commonwealth, but no inducement was held out to them to do so. I hope and believe that the conditions of employment on the Commonwealth railways will be much better than those of the State railways, but we must have uniform conditions for each class of employees. I believe I am correct in saying that officers of the different State Services eagerly transfer to the Commonwealth Service when the opportunity offers, because they feel that the Commonwealth Government is more generous to its employees than are the State Governments. I ask honorable senators to permit the clause to remain as it stands.

Senator NEEDHAM (Western Australia) [6.10].—I find that Senator Newland and myself are working on similar lines. The arguments of the Honorary Minister have entirely missed the mark. He has been speaking of the prospective effect of the clause and not of its retrospective effect. The very marginal note of the clause shows that it deals with the rights

of employees previously employed by the Commonwealth or a State. The arguments of the Minister were directed to the case of men who will enter the service of the Commonwealth Railway Department after this Bill becomes an Act. The object of Senator Newland's amendment, and of that which I have withdrawn temporarily, is to secure to men previously in the employment of the Commonwealth or of a State that upon their transfer to the Commonwealth Railway Department their rights, so far as continuity of employment is concerned, shall be preserved to them. Senator Newland is proposing on exactly the same lines that rights to sick allowances and retiring allowances shall be preserved to men we take over from other services. I believe that men will gladly prefer to enter the service of the Commonwealth rather than that of a State, believing it to be a more generous service, but those are not the men about whom Senator Newland is concerned. He is trying to secure [†] rights of men at present in the Commonwealth Railway Service, who have been transferred from other Commonwealth Departments or from State Departments. Senator Pearce interjected that a man might have no existing or accruing rights, and it is quite possible that men will join the Commonwealth Railway Service who had no previously existing rights. But if a man joins the Commonwealth Railway Service who had rights under the Commonwealth or under the State, Ministers should be prepared to see that his rights are preserved to him.

Senator RUSSELL.—What are the rights, and who are the men?

Senator NEEDHAM.—I could not give the Minister actual details, but he knows that there are men at present in the Commonwealth Railway Service who were previously employed in the Public Service of the State or in a Railway Department of a State, and who were there entitled to certain sick allowances and retiring allowances. I mentioned, when indicating the nature of the amendment I propose to move, that men had been taken from the State Railway Services—

Senator RUSSELL.—No man was taken from the State Railway Service.

Senator NEWLAND.—The stationmaster at Port Darwin was taken over by the Commonwealth.

Senator NEEDHAM.—Will the Honorary Minister tell me that there is no

man in the employ of the Commonwealth Railway Department now who was taken from a State Railway Service?

Senator RUSSELL.—I say that these men will be permanent men for the first time under this Bill. Every man on the Port Darwin line when it was taken over was a temporary hand under the South Australian Government, and those men will be given permanent positions for the first time under this Bill.

Senator SENIOR.—It is not so with respect to the men on the Port Augusta to Oodnadatta line.

Senator NEEDHAM.—I ask the Minister whether there are not men to-day in the Commonwealth Railway Service who, prior to their joining that service, were permanent employees of a State Railway Service?

Senator RUSSELL.—None was taken over. They left the State Service, and came to the Commonwealth.

Senator NEWLAND.—Because certain inducements were held out to them to do so.

Senator NEEDHAM.—That is so. I do not wish to be misunderstood. I am referring to permanent employees on our railways who left State Services to join the Commonwealth Service.

Senator RUSSELL.—But it recognises all his State rights up to the time he comes into the Commonwealth Service, when he starts under a new system.

Senator NEEDHAM.—That is the point at which we join issue. When a man retires from the Commonwealth Service at the age of sixty or sixty-five years, no matter how good his conduct may have been, he will get only that allowance which he was entitled to at the time he left the State Service.

Senator RUSSELL.—That is so; but why do you assume that our conditions are going to be less generous than the State conditions?

Senator NEEDHAM.—It is here in black and white, so that I have no occasion to assume anything. I am protesting against the wording of this clause, and so is Senator Newland. We are endeavouring to amend the clause to prevent any assumption or presumption, and to put an end to protesting.

Senator RUSSELL.—You cannot put them under both Bills at once. The point is: "Where do you finish with the State and begin with the Commonwealth?"

Senator NEEDHAM.—The Minister has not attempted to put them in two

Bills at once, but he has put them *holus bolus* under this measure without regard to anything else. I realize the difficulty which arises out of the differing conditions obtaining in the various States, but surely that is no bar to our doing the right thing. It is a monstrous idea that a man who got £150 a year in a State Service, and is retiring from the Commonwealth Service at a salary of £700, should only get the pension or retiring allowance which would have been payable to him had he retired when he was only receiving a salary of £150. Senator Newland and myself are aiming at the same object, and I hope the Committee will accept the amendment.

Senator RUSSELL (Victoria—Honorary Minister) [6.22].—There seems to be a misunderstanding that in some way we are going to take a privilege from those who have been State officers. But that is not so. Up to the day when they leave the State Service they will be entitled to every privilege and right which existed under the State law up to that date.

Senator NEEDHAM.—That is the point.

Senator RUSSELL.—These men are not transferred to the Commonwealth. They leave the State Service, and then make an application to enter the new Service, which, probably, will be more generous as regards conditions than was the old Service. They will get every condition laid down in the Commonwealth Act; but we cannot have the two systems side by side. The object of this amendment is to continue to a man the rights he enjoyed as a State officer up to the day he leaves the Commonwealth Service. Suppose that we needed seven stationmasters, that we appointed one stationmaster from each State, and that the seventh stationmaster was a new man. We would have one stationmaster under the Queensland system, one stationmaster under the South Australian system, one stationmaster under the Victorian system, and so on. There would be only one stationmaster to whom the Commonwealth Railways Act would apply. What sort of a system would we have in that case? All that we say to a State man in this clause is that every privilege and right which he enjoyed up to the date of his leaving the State Service shall count in his favour; but that there is only one basis on which

he can enter the Commonwealth Service, and that is the basis of the Commonwealth Railways Act. I believe that 98 per cent. of the State civil servants to-day would be glad to get a transfer to the Commonwealth Service at any time, because of the broader lines on which it is conducted, and the better conditions which obtain. Seeing that State railway men under this measure will lose no privileges they had, are we to say that for all time the State law shall dominate the Commonwealth law? Some of the men with rights may be middle-aged men. When are we going to start to get a uniform law if we do not avail ourselves of the opportunity, when a new service is being started, to establish new conditions which will not injure State men, but preserve and improve upon their previous conditions.

Senator NEWLAND (South Australia) [6.25].—There is very little in the Minister's argument. Every State Department practically has men working under more than one set of conditions at present. From time to time laws and regulations have been passed to curtail or extend the privileges of employees. We have in the State Service men who are entitled to pensions. The older members of the staff, for instance, have this right. A few years after those men entered the State Service the pension right was abolished, and therefore those who joined subsequently are not entitled to a pension. There is no difficulty in the way of making this amendment. I am not asking that the Commonwealth Railways should be run under the State laws, but I am asking that the Commonwealth shall observe a compact made with the men whom it has taken over. Under the Constitution Act, these men are entitled to the privilege for which I am asking.

Senator RUSSELL.—You cannot have it either way. First, we say that there is no compact with anybody, but if there is a compact it will be recognised in full.

Senator NEWLAND.—I am asking that the compact shall be recognised here.

Senator RUSSELL.—It will be recognised.

Senator NEWLAND.—I am not in a position to say what compact was made, but I know that conferences were held between railway men in South Australia. It was practically decided that the whole of the staff at Quorn and the railway should be taken over, but because a satisfactory arrangement

could not be made with the Commonwealth Department, the matter was hung up. That course was taken because the men could not get a definite assurance from the Commonwealth that their accruing rights would be secured to them. Section 84 of the Constitution Act provides for the transfer of a State Department, but the last provision in the section reads—

Any officer who is, at the establishment of the Commonwealth, in the Public Service of a State, and who is, by consent of the Governor of the State, with the advice of the Executive Council thereof, transferred to the Public Service of the Commonwealth, shall have the same rights as if he had been an officer of a Department transferred to the Commonwealth and were retained in the service of the Commonwealth.

The Minister says that it is not the case of a transferred Department. I am pointing out that the Constitution itself provides for the transfer of a Department, and also for the transfer of an officer, so that the argument is clearly not so strong as he would have the Committee believe.

Senator MILLEN.—This is the case of a man resigning from the State Service to enter the Commonwealth Service.

Senator NEWLAND.—The Commonwealth has taken over the men on a definite understanding. I am not going to say that a promise was given. I know that it is in the mind of several railway men that they were promised certain things.

Senator RUSSELL.—The only permanent men we have are engaged on the railway from Oodnadatta to Port Augusta. It is not proposed to transfer those men, but should they be transferred subsequently, they will be dealt with with all their rights existing.

Senator GUTHRIE.—You are going to chuck them over?

Senator RUSSELL.—South Australia runs the line with a State staff.

Senator NEWLAND.—These men are not interested in this Bill. I am not quite sure, but I understand that certain men with rights, from South Australia, have been taken over by the Commonwealth. They are, it is true, on the temporary staff, the same as the rest of the Commonwealth employees. But they are looking for something better than temporary employment. They are no more permanent employees than are other members of the staff.

Senator THOMAS.—Were they permanent men with South Australia?

Senator NEWLAND.—Yes.

Senator THOMAS.—Can they go back to the South Australian staff?

Senator NEWLAND.—They may, or they may not. Section 60 of the Commonwealth Public Service Act contains this provision—

(b) Where any officer in the Public, Railway, or other Service of a State is transferred to the Public Service of the Commonwealth, every officer so transferred,

shall preserve all his existing and accruing rights, and shall be entitled to retire from office at the time, and on the pension or retiring allowance which would be permitted by the law of the State from which he was transferred if his service with the Commonwealth were a continuation of his service with such State.

Senator RUSSELL.—There is not one single transfer. Every man who has come into the Commonwealth Service definitely severed his connexion with the State Service by resigning. That point does not arise.

Senator NEWLAND.—The men who are affected would not appear to be so, from the instructions I have received on this very point.

Sitting suspended from 6.30 to 8 p.m.

Senator NEWLAND.—I was pointing out that the Public Service Act provides for the matter with which we are now dealing, namely, that individual transferred officers should be dealt with in the same manner as if the Department in which they had been serving had been transferred to the Commonwealth. I further pointed out that the Northern Territory Acceptance Act contains the same provision. I believe that, in the Northern Railway Service, there are some officers who would be affected unless provision such as I have indicated is included in this Bill. Some of those officers were transferred from the South Australian Railway Department when the railway was taken over, and they are now looking to the Federal Parliament to protect their interests in this new Railway Bill as they were protected under the Northern Territory Acceptance Act. Section 12 of that Act states—

(1) Every officer who is, under this Act, transferred to the Public Service of the Commonwealth, shall preserve all his existing and accruing rights as if his service with the Commonwealth were a continuation of his service with the State.

(2) The provisions of section 84 of the Constitution shall be deemed to apply to every such officer as if he were an officer of a transferred Department, and were retained in the service of the Commonwealth.

I regret now that, instead of moving the amendment in the form I adopted, I did not move for the inclusion of a provision similar to the one I have quoted. I am confident, however, that my amendment will have precisely the same effect as if I had done so. The men affected have every right to expect that their interests shall be protected, and that their services shall be regarded as continuous.

Senator PEARCE.—If we had appointed an officer, not a South Australian, from the State Public Service to the Commonwealth Service, would you take him over with all his accruing rights?

Senator NEWLAND.—I certainly would.

Senator MILLEN.—Then you would not appoint him.

Senator NEWLAND.—Perhaps not, but I point out that expert railway men are not made in a day.

Senator PEARCE.—I am not talking about railway officers, but other officers.

Senator NEWLAND.—This Bill also provides that individual officers shall be treated as if they had been taken over with the Department. The men to whom I allude were in the service of the South Australian Government at the time. There were no other officers in the Northern Territory then except those who had been appointed by the South Australian Government, and their rights were preserved under the Acceptance Act. So far back as 1911, when the debate took place on the Port Augusta-Kalgoorlie railway, the then Prime Minister of the Commonwealth said that doubtless a Railway Department would be created ultimately to take over the Commonwealth railways, and that when this was done appointments of a permanent character would be made, but that this could not be done until the railways were taken over by Act of Parliament. The then Prime Minister indicated to all who were anxious to obtain employment under the Commonwealth that service in a State would be considered as service in the Commonwealth.

Senator RUSSELL.—What are you quoting from?

Senator NEWLAND.—From a debate on the Port Augusta-Kalgoorlie railway, in 1911, *Hansard*, page 1053. In that

debate it was suggested that the Commonwealth would establish a permanent railway staff, and Mr. Fisher intimated that existing rights of officers taken over would be preserved. Had these appointments been made under the Public Service Act there would have been no question as to the rights of individuals being preserved, and we should not allow any invidious distinctions to be made between officers appointed under this Bill and officers appointed under previous Acts, because this would be manifestly unfair. It is within the recollection of honorable senators that when the Post Office was taken over certain promises were made to officials, but, unfortunately, those promises were not observed, and, at the present time, there is a great deal of dissatisfaction amongst the older officials.

Senator THOMAS.—Where?

Senator NEWLAND.—In South Australia. The honorable senator knows perfectly that, when he was Minister, he had a good deal of trouble with postal officials of South Australia about inequality and injustice, and, unfortunately, the cause of that difficulty has not been removed.

Senator GUTHRIE.—It was due to a legal technicality.

Senator NEWLAND.—Yes; advantage was taken of a legal technicality, and the difficulty has never been removed.

Senator THOMAS.—The Postal Commission went into the matter, and decided that the officials had no claim, either moral or legal.

Senator NEWLAND.—The officials in South Australia, at all events, were quite satisfied as to their claims.

Senator THOMAS.—There were only six of them.

Senator NEWLAND.—No; there were scores, but the six referred to made more noise than the others. However, the association took up the matter, and, on several occasions, sent representatives to Melbourne to have matters put right. I do not want an anomaly of this kind to be created under this Bill. It is a simple matter to put right, and it should be attended to now. As I have already said, it takes many years to train men in some branches of the Railway Service, and I want the Commonwealth to be in a position to approach men and give them an assurance that they will suffer nothing by coming over from any State Service to the employment of the Commonwealth.

Senator RUSSELL.—Were you quoting from page 1053 of *Hansard* of 1911?

Senator NEWLAND.—Yes.

Senator RUSSELL.—I have *Hansard* by me, and there is nothing of the sort you quote.

Senator NEWLAND.—The opinion I formed from reading the speech was that the Prime Minister, Mr. Andrew Fisher, said that when the east-west railway was constructed a Railway Department would be created to manage it. He further said that appointments of a permanent character would then be made by the Public Service Commissioner or some other authority.

Senator RUSSELL.—The speech is very short, and I will put it on record shortly.

Senator NEWLAND.—At all events, there are the facts, and I hope the Committee will see that State servants who have entered Commonwealth employment are not penalized.

Senator THOMAS (New South Wales) [8.15].—I confess I cannot follow Senator Newland's line of argument. As I understand him, he desires that State officials brought over to the Commonwealth should bring with them all their accruing rights under State legislation, and, in order to add force to his argument, he falls back upon the Constitution, which practically provides that every official taken over shall have his existing and accruing rights preserved.

Senator PEARCE.—Every official taken over in transferred Departments.

Senator THOMAS.—Yes. There is a great deal of justice about that contention, because the persons concerned had to come over to Commonwealth employment whether they cared to or not. The officers of transferred Departments had no choice but to accept service under the Commonwealth. In the present instance, however, the conditions are quite different. We know that in South Australia there are a number of permanent officials who are engaged upon a portion of the east-west railway. Immediately we take over that line, every person employed upon the section of which I am speaking will have a right to ask the South Australian Government to continue him in its service. We can only ask these State railway employees to enter the Federal Railway Service. They will have to consider whether it will pay them to sever their connexion with a State Railway Service and to enter that of the

Commonwealth. The illustration used by Senator Newland when he dragged in the claims of half-a-dozen postmasters in South Australia, confirmed me in my opposition to his proposal.

Senator SENIOR.—If the honorable senator were to go through the Commonwealth Service, he would find general dissatisfaction.

Senator THOMAS.—Why, the postal officials of South Australia benefited most materially by their transfer to the Commonwealth. The Postal Commission investigated that matter very thoroughly, and its members were quite satisfied that the postal officials who chiefly benefited from Federation were those of South Australia and Tasmania. One of the accruing rights which the postmasters of South Australia desired to bring over with them to the Commonwealth was the right to be paid a certain commission on the sale of postage stamps. I repeat that in the present instance it will be quite optional with State railway employees to enter the Commonwealth Service or to decline to do so. The Assistant Minister has stated that those who do enter the Commonwealth Railway Service will have all their rights up to the date of their entrance preserved to them. I should like to know whether, in the case of an official who is entitled under State law to a pension, the Commonwealth will have to provide that pension?

Senator RUSSELL.—Yes.

Senator THOMAS.—Then this Bill actually goes farther than does the Constitution.

Senator NEWLAND.—The Commonwealth can recover from the State concerned its proportion of the pension.

Senator RUSSELL.—But the States do not always pay up their proportions.

Senator THOMAS.—During my Ministerial experience I never knew of a State Government repudiating its liability.

Senator RUSSELL.—The State Governments have done so in several instances.

Senator THOMAS.—If the amendment be carried, provision should be made for these pensions to be paid by the States.

Senator RUSSELL.—The Commissioner will pay them, and the Commonwealth will make what arrangement it may choose with the States for the payment of their proportion of them.

Senator THOMAS.—I can quite conceive of circumstances in which a State railway employee might desire to enter the Commonwealth Service, but in which his accruing rights would prove a bar to his doing so.

Senator NEEDHAM (Western Australia) [8.27].—The real issue before the Committee is, I fear, being somewhat clouded. The remarks of Senator Thomas show conclusively that he is thinking chiefly of men who may come over from a State Railway Service to the Commonwealth Railway Service. The amendment of Senator Newland has nothing whatever to do with that class of employee. Its primary object is to protect employees who are already in the Commonwealth Railway Service, and who, before joining it, had to relinquish positions in a State Railway Service or in the Public Service of a State.

Senator REID.—I thought it embraced both classes.

Senator NEEDHAM.—That is not the intention of the amendment. There are men in the Commonwealth Railway Service who quitted the Railway Service of a State, but who were not transferred. That being so, it is idle to quote the Constitution in respect of transferred Departments or transferred officers. We merely desire to protect those men who have left a State Railway Service to enter the Commonwealth Railway Service.

Senator RUSSELL.—Give me one instance of an individual who will be injured by the Bill. Take the matter of leave. If a man has fifteen years of State service to his credit, after he has spent five years in the Federal Service he will be entitled to his long furlough on full pay.

Senator NEEDHAM.—He will not; and he will not receive the retiring allowance to which he would have been entitled had he remained in the State Service.

Senator RUSSELL.—He will get all the privileges to which he was entitled up to the day that he entered the Commonwealth Service.

Senator NEEDHAM.—Exactly.

Senator PEARCE.—If the honorable senator will look at sub-clause 1 of clause 52, he will see that that has been provided for.

Senator NEEDHAM.—The paragraph to which Senator Pearce directs my attention reads as follows:—

To have the period of his prior permanent employment reckoned as employment in the railway service for the purpose of computing any annual, sick, or long-service leave under any by-law;

But if Senator Pearce will look at paragraph ii. with his two eyes, he will find that it contradicts the paragraph I have quoted.

Senator PEARCE.—No; it deals with a different matter. It deals with retiring allowance, and not with leave. The honorable senator was discussing the question of leave.

Senator NEEDHAM.—I was discussing the question of leave at that particular moment, but Senator Newland and I, by our amendments, desire to cover what is contained in both these paragraphs. Paragraph ii. reads—

To receive, upon his retirement from the railway service, compensation, retiring allowance, or gratuity to such amount, or at such rate as he would have been entitled to receive at the time of his first appointment to the Railway Service, had he at that time been eligible to retire from his prior permanent employment as having attained the retiring age.

The point is that under this paragraph the retiring allowance will be reckoned only upon the period of service in a State Department prior to entering the service of the Commonwealth railways.

Senator RUSSELL.—Can the honorable senator mention one man who has been transferred with a retiring allowance?

Senator NEEDHAM.—I am not speaking of men who have been transferred, but of men who voluntarily left the service of the State to enter the service of the Commonwealth.

Senator RUSSELL.—Does the honorable senator know of one who was entitled to a retiring allowance in the service of a State?

Senator NEEDHAM.—I cannot give the name of any man.

Senator RUSSELL.—If there were such a case, the right would have been adjusted on the man leaving the service of the State.

Senator NEEDHAM.—I know that there are to-day men in the Commonwealth Railway Service who, had they remained in the service of a State, would have received a better deal than they will get under this Bill.

Senator RUSSELL.—In what respect?

Senator NEEDHAM.—Take the case of a man who, when he left the service of a State, was getting £150 a year. Under this Bill his retiring allowance is based upon that salary of £150, though he may not retire from the Commonwealth Service until he is sixty-five years of age, and after being many years in the service of the Commonwealth. My objection is that in the matter of retiring allowance there is no recognition of the period served in the Commonwealth Service.

Senator RUSSELL.—That is to say that the allowance will not accrue upon his Commonwealth service?

Senator NEEDHAM.—Yes. What we are after is that there should be some recognition of the period served in Commonwealth employment.

Senator PEARCE.—Does the honorable senator not see that if that were agreed to we should have one set of men in the Commonwealth Railway Service entitled to a retiring allowance and another set not entitled to such an allowance?

Senator NEEDHAM.—That might apply to men who might enter the Commonwealth Service after this Bill becomes an Act.

Senator PEARCE.—It will apply to some who are in the service now.

Senator NEEDHAM.—It may apply to a very few; but that should be an easy matter for the Railway Department to deal with. The differentiation would be very small. I am prepared to admit that, once this Bill becomes an Act, any man thereafter entering the Commonwealth Railway Service will do so with his eyes open. He will have this Act, and the by-laws under it, before him, and will know the conditions of Commonwealth employment. But I am speaking on behalf of men who have been in the service of the Commonwealth from the time of the survey of the Kalgoorlie to Port Augusta railway up to the time it becomes a permanently running line. These men could not know what provisions would be contained in this Bill. I hope that in any future discussion of the amendment honorable senators will lose sight of men who may join the Commonwealth Railway Service after this Bill becomes law, and will deal with the men who are already in that Service, and see that their rights are preserved to them.

Senator RUSSELL (Victoria—Honorary Minister) [8.36].—It seems to me that some honorable senators still fail to clearly understand the clause. In connexion with leave and other matters referred to, service in a State Railway Department is taken into consideration. The honorable senator suggested that we should read paragraph ii. with two eyes, and that paragraph says distinctly what is to be done in the case of a man who had a pension right or a right to a retiring allowance in the service of a State. Say, for instance, that it would take fifteen years for him to acquire that right, and at the end of seven years he leaves the service of the State for the Commonwealth Railway Service. He may be getting £200 a year when he enters the Commonwealth Service, and £300 at the end of the fifteen-years' term, but his pension right is based on his service in the State, and does not go on accruing during his service in the Commonwealth. The reason for this is that in the Commonwealth Railway Service he would be under some other compensation system applicable to all of the employees in that Service. If the intention of honorable senators supporting the amendment is to initiate a Commonwealth pension system, let us be honest about the matter, and make it of general application to the whole of the public servants of the Commonwealth.

Senator GRANT.—Including the navvies on the Kalgoorlie to Port Augusta railway?

Senator RUSSELL.—Yes, I should not ask a man what his occupation was. We should not start a pension system with a privileged few. If honorable senators desire a pension system for all Commonwealth employees, I am disposed to help them; but we should not do the work in this piece-meal fashion. It has been said that some promise was made to men entering the Commonwealth Railway Service; but, on the authority of those who have had charge of the Department, and have looked up all the records, I say that there was no definite promise made by any one to any of these men, and no one can produce such a promise. I exonerate Senator Newland from any thought of deliberate misrepresentation, but he has evidently been supplied with notes of speeches made by Mr. Fisher, which that

gentleman never delivered. The statements which he did make cannot bear the interpretation which has been put upon them. I shall quote for honorable senators what Mr. Fisher really did say. I find at page 1053 of *Hansard* of 4th October, 1911, that Sir William Irvine said—

There must be a properly qualified staff having a certain definite position in the Public Service, and, as the Leader of the Opposition has said, it is desirable that we should have, as soon as possible, a statement on the subject from the Government.

He was trying to discover how these men would stand, and Mr. Fisher replied as follows:—

The honorable member for Flinders has practically raised two questions. He says, in the first place, that, sooner or later, the Government will require a Railway Department and a railway policy.

Mr. W. H. IRVINE.—A Public Works Department.

Mr. FISHER.—That Department might also cover works that are not now, in a sense, under the Minister for Home Affairs. There are certain naval works which, perhaps, do not come under the control of the Public Works Branch of his Department; and, since in this Parliament we have to deal with large national works of a varied character, we must be careful not to dogmatize on the old State lines. Undoubtedly, there ought to be, when our railways are constructed, a Railway Department to manage them; and that will be the policy of this Government.

Mr. W. H. IRVINE.—It might be a sub-department of the Department of Home Affairs.

Mr. FISHER.—The most economical way of carrying on such a business is to have a body of experts to deal with it; and the Department best equipped at the present time to supervise the construction of this railway is the Department of Home Affairs. That being so, it will have the control of this work, subject to the declaration of policy, which is common to all Governments, being determined by the Government itself. That is the best that can be done.

Mr. W. H. IRVINE.—My difficulty is not so much in regard to which Department the work will come under as to what will be the general character and position of the staff that will control the work.

Mr. FISHER.—We must put our trust somewhere. Some Minister must be responsible for the carrying out of the work. The Government behind that Minister must take the full responsibility for the faithful and proper carrying out of the work on economical lines, and fairly as between the parties themselves and the States. The method and manner in which the work will be carried out will be subject to the criticism of Parliament, and I can assure honorable members that the Ministry will give careful thought and attention to the question of what is the best and most economical way of constructing this line.

That is the whole of the speech which was delivered by Mr. Fisher on that day. Yet we are told to-night that he made a definite promise which the present Government desire not to honour.

Senator NEWLAND.—Who said that?

Senator RUSSELL.—That is the meaning of what was said here.

Senator NEWLAND.—I said nothing about a definite promise, but I read the sentence, "appointment made by the Public Service Commissioner or some other authority."

Senator RUSSELL.—I made it quite clear that I did not accuse the honorable senator of making a misrepresentation, but I say that the effect of the note he read was to lead honorable senators to think that a definite promise was made by Mr. Fisher. I am not dealing with the intention of the honorable senator.

Senator FERRICKS.—That is a fair interpretation. I heard the remarks of Senator Newland.

Senator RUSSELL.—I think that it is a fair interpretation. I am not in the habit of misrepresenting what honorable senators say. I have to defend the position of the Government, and I point out that there is no record of a promise having been made to these men. They terminated their agreement with the State, and ought to have protected any rights which they then possessed. They applied for temporary employment under the Commonwealth, and it was granted to them. We are now doing something better for the men. We are giving them a definite standing under a Commonwealth Act. As regards its administration, the Public Service Act of the Commonwealth is the best Act which any working men in the world have worked under. With this long record to the credit of the Commonwealth, what cause for fear has any one? Why should it be suggested that the men are not getting a benefit under this measure? I have no hesitation in saying that if it were not for the isolation of certain parts, that if this railway traversed a well-populated area, and we called for applications, 99 per cent. of the railway men of Australia would make an effort to get into the Commonwealth Service. We are not out to rob any men of their rights, but to give them a definite status with fair conditions. Despite the so-called grievance on the part of some persons, it will be

found that our desire is to establish a good service with fair conditions to all concerned.

Senator NEWLAND (South Australia) [8.48].—What the Minister has said does not make any difference to the intention of my amendment. The only difference between the brief note supplied to me and the speech read by the Minister is that the note refers to the Public Service Commissioner, a reference which is not contained in the speech. Of course, the inference from the note is that, had the appointments been made by the Public Service Commissioner, they would have carried all the rights we have been pleading for. I am not so much concerned with the men who come into the Commonwealth Service in the future as I am with the men who have come from the State Service to the Commonwealth Service. I am simply asking that the men who are already in the Commonwealth Service, and who, at the time of their entrance, considered that their State rights would not be interfered with, shall be secured in those rights. From reading the clause, it is perfectly clear to me that the rights of a man who left the State Service, no matter how many years' privileges he had acquired, will cease the moment this Bill comes into operation. A comparatively young man who came over from the State to the Commonwealth will have to serve for a considerable term in order to get anything like the privileges which he would have enjoyed had he remained in the State Service.

Senator RUSSELL.—No; read paragraph *i*.

Senator NEWLAND.—Paragraph *i* of sub-clause 1 provides for one thing, and paragraph *ii* provides for something else. Under the latter provision the accruing privileges are cut off, and after twenty years' service to the Commonwealth a man is to be treated, as regards accrued privileges, just as if he had retired twenty years previously.

Senator FERRICKS.—The point made by the Minister was that any man entering the Federal Public Service in any other Department now would be under the same conditions.

Senator NEWLAND.—No. The rights of any State officers who entered the Commonwealth Service under any previous law are secured to them by the Public Service Act. Their rights are accruing

now. Railway men are the only men who have been considered as temporary employees up to the present time.

Senator RUSSELL.—If you will read sub-clause 3 of clause 3 you will see that it provides that any contract entered into by the Minister for Home Affairs shall be honoured.

Senator NEWLAND.—I am looking to the future now. The Government of to-day is reasonably honest, and we hope that it will so continue. But hereafter we might have a less conscientious Government. We wish to make it impossible for such a Government to slide out of their obligation to these men because some defect is found in a measure which we are passing to-day with our eyes open. The object of this Bill is to call into existence a new Department, and it is imperative to see that no future Government shall be able to avoid any obligations imposed upon them with regard to men who have been transferred from a State to the Commonwealth. For that reason, I feel sure that honorable senators will accept my amendment, which, after all, is providing for men who are already in the Public Service, and not for men who may enter it subsequently. All those who join the Commonwealth Service after the passing of this measure will come in with their eyes open. Up to the present time the men who have entered the Commonwealth Service did not know what was ahead of them. They had to trust to the future action of Parliament. If the Committee should take the advice of the Minister, it will do something which would be distinctly unfair to the men who left the State Service to work for the Commonwealth. That is why I am so anxious to see this provision inserted in this clause.

Senator SENIOR (South Australia) [8.57].—I was amused to find that with some honorable senators justice changes with changing circumstances. We on this side recognise that justice is unchangeable, or should be. If men in one branch of the State Service coming under the Commonwealth Public Service Commissioner have certain rights and privileges secured to them, it is doing an injustice to men in another branch, which is equally important, to provide that they shall lose their accrued rights and privileges when they come into the Commonwealth Service. As regards justice for the men who are taken over from a State, I would point out that their accrued

privileges under paragraph i will be secured up to date, but had they remained with the State, their service would have continued without a break. Because they joined the Commonwealth Service just as postal employees had to do, there is a break, and although they may serve the Commonwealth for twenty-five years, their service as regards rights and privileges will only be counted up to the time they left the State Service. The point is that these railway men from the State Service are not to receive the same privileges as State men in transferred Departments under the Public Service Commissioner are receiving. That is the position admitted by the Minister himself. In the future, State men who apply to the Commonwealth for employment in the Railway Service are to be treated as though they were outside the State Service.

Senator RUSSELL.—Some of these men have never been under a Commissioner before. We have a Shipping Department, and are picking up captains of forty years of age. Would you put these captains under a pension system because they had worked for John Brown before?

Senator SENIOR.—I am dealing now with the Commonwealth railways to be managed under the provisions of this measure. But if I were dealing with a Shipping Department, I should take into consideration the shipping conditions, and continue the privileges guaranteed to the men. What I take exception to is that the Minister should lay such great stress on the point that there was a break in continuity when these State men joined the Commonwealth Service.

Senator RUSSELL.—Suppose that we brought in a compensation system covering the lot. Would you insist that these men should be brought under that system?

Senator SENIOR.—Now the Minister is introducing the question of compensation.

Senator NEWLAND.—Sick leave is not a retiring allowance. It is given at any period during a man's service.

Senator SENIOR.—I assume that a man has built up a right to sick leave.

Senator RUSSELL.—Sick leave is guaranteed to the man under paragraph i. Paragraph ii simply provides that we shall not continue the retiring allowance or pension, but shall pay the men. We shall pay the allowance or pension up to the date of leaving the State Service, but will not continue it.

Senator SENIOR.—The point I wish to put to the Minister is that, in the case of men under the Public Service Commissioner, retiring allowances are cumulative, whereas a man in the Railway Service is in an entirely different position. How can the Minister say to a man, "On one point we will give you continuity, but on the other point we shall demand a break"? The position is one which the railway men have certainly not been expecting. When the Northern Territory railway was taken over, temporary employees there believed that all their privileges would be continuous and cumulative as though they had remained in the service of the State. I was present in the House of Assembly in Adelaide when the Bill referred to was under discussion, and I followed the proposal throughout, with the result that I have a very clear recollection that it was understood that all civil servants taken over from the South Australian Service were to receive the same privileges as though they had remained in the State Service.

Senator THOMAS.—The Commonwealth Department were not bound to take over every man in the Northern Territory. They could have informed a man that he was not wanted.

Senator SENIOR.—Then that would have been a perfectly fair position to take up, but it is not fair now to overlook their rights and privileges. They have not got in this Bill an assurance that their privileges will be preserved.

Senator THOMAS.—They have in the Northern Territory Acceptance Bill.

Senator SENIOR.—The railway men of the Northern Territory have not got it, and this has been the cause of considerable dissatisfaction amongst officials taken over. We should now insert a bond in this Bill not to bind the present Government only, but future Governments, to conserve the rights of the officials referred to.

Senator RUSSELL.—The men you are referring to on the Port Augusta line are employed by the South Australian Government, and it is not intended to transfer them.

Senator GUTHRIE.—How long will that last? You could terminate it in three months, and the Commissioner will very likely do that.

Senator SENIOR.—Officials temporarily employed in the Northern Territory railway when it was taken over are

still there, and will be working under this Bill. Consequently unless their privileges are definitely preserved they will have no guarantee that a future Government will not say, as the Minister does, that they have no rights according to them.

Senator RUSSELL.—I did not say that they had no rights.

Senator SENIOR.—I hope I have not misunderstood the Minister, but I listened very carefully. The proviso of the clause intimates that an employee shall not be entitled, by reason of his prior permanent employment, to long service leave for a greater period than four months. I know men who have retired from the South Australian Railway Service on twelve months' long leave, and this Bill seeks to cut that down by one-third. In the face of this, how can the Minister say that the Bill provides for the preservation of the advantages and privileges of men who came over from the State Service? I believe, however, that the Committee will accept Senator Newland's amendment so that justice will be done to the men.

Question—That proposed new paragraph iii. be added to the Bill (Senator Newland's amendment)—put. The Committee divided.

Ayes	11
Noes	14

Majority	3
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AYES.

Barker, S.	Pratten, H. E.
Grant, J.	Rowell, Colonel
Guthrie, R. S.	Senior, W.
Needham, E.	Shannon, J. W.
Newland, J.	Teller:
O'Loghlin, Lt.-Colonel	McDougall, A.

NOES.

Bolton, Lt.-Colonel	Pearce, G. F.
Buzacott, R.	Plain, W.
Crawford, T. W.	Reid, M.
Fairbairn, G.	Russell, E. J.
Ferriks, M. A.	Thomas, J.
Foll, H. S.	Teller:
Henderson, G.	de Largie, H.
Millen, E. D.	

Senator NEWLAND (South Australia) [9.13].—I move—

That after the word "his" the words "grade or" be inserted.

This clause provides for appeal by officers against punishment by the Commissioner, but if a man is reduced in his grade he has no right of appeal. I am anxious that an employee shall have right of appeal in any circumstances to the Appeal Board, which will consist of a chairman who shall be a police magistrate or special magistrate, an employee to be appointed by the Commissioner from some branch of the Railway Service, and a representative of the employees. I desire an appeal to lie in the case of any man who may be degraded in rank.

Senator FOLL (Queensland) [9.16].—I quite agree with the amendment; but I would point out that it will not cover every penalty which an employee may have imposed upon him.

Senator RUSSELL.—The object of the clause is to limit the number of appeals.

Senator FOLL.—That is not a fair thing. An employee should have the right of appeal in all circumstances. He may be under suspension for a fortnight before the head of his Department decides what punishment shall be inflicted upon him. At the expiration of that period, he may be fined £5. From such a decision this clause will not afford him the right of appeal.

Senator THOMAS.—Suppose that he is fined half-a-crown?

Senator FOLL.—If the fine be an unjust one, he should have the right of appeal. A fine of half-a-crown would constitute a black mark upon his record. I would suggest that after the word "pay" the words "or any other penalty" be inserted. I believe that honorable senators will realize the justice of my contention. If an employee believes that he is the victim of an unjust decision, he should have the right to appeal against it.

Senator RUSSELL (Victoria—Honorary Minister) [9.20].—This clause has practically been indorsed by the representatives of the railway unions. They recognise that if the Appeal Board is to sit upon every occasion that a man may consider he is labouring under a slight grievance, its sittings will be interminable. We all recognise that whilst 99 per cent. of our civil servants are well-balanced and capable officers, there are to

Question so resolved in the negative.

Clause, as amended, agreed to.

Clause 53—

(1) Any employee appointed to a permanent office may, in the prescribed manner, appeal against any decision of the Commissioner dismissing him or reducing his rate of pay for incapacity or misconduct.

be found amongst them a few individuals who would always be anxious to take advantage of a provision such as that proposed by Senator Newland. I would remind the Committee that all fines will be imposed by the Commissioner. He will be responsible for the management of one of the biggest businesses in Australia. As we are quite willing to trust him to safeguard the lives of thousands of our citizens, surely we may trust him to impose fines for offences committed by employees under him.

Senator NEEDHAM (Western Australia) [9.24].—I think that the Minister has overlooked the amendment moved by Senator Newland, which deals with a big matter. The question of the grade of a railway employee is a very important one. I quite agree that if the Court of Appeal had to investigate every case in which a small fine was imposed upon a railway employee, it would be sitting continuously; but if, for example, an engine-driver were reduced in rank, under this clause he would not be able to appeal against the decision of the Commissioner.

Amendment agreed to.

Clause, as amended, agreed to.

Clauses 54 to 57 agreed to.

Clause 58—

(1) The Commissioner shall, when so directed by the Minister, or as may be required for the purpose of supplying information to the Parliamentary Standing Committee on Public Works, have investigations, inspections, and surveys made of any proposed railway route.

Senator NEEDHAM (Western Australia) [9.27].—On behalf of Senator O'Keefe, who is absent in Tasmania, and who cannot return to Melbourne till tomorrow, I wish to move—

That this clause be left out.

I may add that I am in thorough agreement with the view that is entertained by Senator O'Keefe regarding this provision. The first portion of it reads—

The Commissioner shall, when so directed by the Minister, or as may be required for the purpose of supplying information to the Parliamentary Standing Committee on Public Works, have investigations, inspections, and surveys made of any proposed railway route.

Now, I ask honorable senators to read that provision very carefully before agreeing to it. It seeks to give complete power to the Minister—

Senator RUSSELL.—Subject to the approval of nine other Ministers.

Senator NEEDHAM.—Then I will say that it gives power to the Government—

Senator RUSSELL.—It embodies the existing practice.

Senator NEEDHAM.—It does not. It seeks to vest in the Government the power, without the consent of Parliament, to spend money on investigations, inspections, and surveys of any proposed railway route. Some honorable senators will doubtless recollect the big fight which took place in this chamber upon the question of the survey of the route to be followed by the east-west line. It took a considerable time to induce this Parliament to sanction even a flying survey of the route of the Kalgoorlie to Port Augusta railway, and it was not undertaken until Parliament authorized it.

Senator REID.—Parliament will still have some power to deal with the matter in spite of this clause.

Senator NEEDHAM.—That is so, but it will be after the survey has been made, the investigation completed, and the money spent. The Minister may then come to Parliament, and tell us all about it. Parliament may then decide that the wrong route has been selected and the money uselessly spent. This clause gives too much power to the Minister or the Government. There is an alternative in the use of the words—

or as may be required for the purpose of supplying information to the Parliamentary Standing Committee on Public Works.

The Act governing the Public Works Committee provides that it can inquire only into a work the cost of which is estimated at over £25,000.

Senator GUTHRIE.—We could not get much of a railway for less than £25,000.

Senator NEEDHAM.—A survey might cost nearly that amount. I want to impress upon the Committee that no Government can enter upon the construction of a work the cost of which will exceed £25,000 without referring it to the Parliamentary Standing Committee on Public Works.

Senator REID.—Put a limit of expenditure in this clause, and let it go.

Senator NEEDHAM.—I would do so if I could.

Senator RUSSELL.—We could not spend any money on a survey unless it was voted by Parliament.

Senator NEEDHAM.—But the Government are taking power to do so under this clause.

Senator RUSSELL.—Where should we get the money from? It cannot be spent until it is voted by Parliament.

Senator NEEDHAM.—The Minister will agree that there is nothing in the Estimates now before Parliament to provide for the survey of any line of railway to branch off from any of our existing Commonwealth lines. Parliament may pass those Estimates, and then go into recess, and suddenly the Minister for Works and Railways may discover that it is necessary to survey a line branching off from an existing Commonwealth railway. An investigation of the country is made, a survey is completed, and it may cost anything from £5,000 to £25,000.

Senator RUSSELL.—What happens to the Minister if Parliament refuses to vote the money?

Senator NEEDHAM.—Nothing happens to the Minister, but the money of the taxpayers has been spent.

Senator THOMAS.—Did the honorable senator refer to the Kalgoorlie to Port Augusta railway?

Senator NEEDHAM.—I referred to the debates which took place in this Chamber before even the survey of the Kalgoorlie to Port Augusta line could be made.

Senator RUSSELL.—The survey could have been made without referring the matter to Parliament if the Government had chosen to accept the responsibility of that course. We had a survey made of a strategic railway by the Fisher Government, and there was no Bill introduced to authorize that survey.

Senator NEEDHAM.—It is upon that account and other matters that I protest against this power being placed in the hands of any Government. The Minister knows that one of the biggest fights that ever took place in this Chamber occurred in connexion with the Bill to authorize the survey of the Kalgoorlie to Port Augusta railway.

Senator DE LARGIE.—That is a very good reason why the Minister should have this power. I know what the feeling of the people of Western Australia was upon that matter.

Senator NEEDHAM.—I think I know the feeling of the people of Western Australia as well as does Senator de Largie.

Senator RUSSELL.—When the Kalgoorlie to Port Augusta Survey Bill was being debated, references were made to a "desert railway," and many misstatements were made as to the character of the country, for lack of a preliminary survey.

Senator NEEDHAM.—I do not see how that touches the point.

Senator RUSSELL.—I was then a member of the Senate, and I did not know what the country was like until the survey was made.

Senator NEEDHAM.—Still, the honorable senator voted for that survey. I do not see why the Government should have the right, without the consent of Parliament, to survey any line they may think fit. Some of the State Parliaments of Australia have Railways Standing Committees who consider railway proposals. I know that in Victoria the Government have no right to make any inspection or survey of a line without first referring the matter to the Railways Standing Committee. But here we are asked to give into the hands of one man, who will not be the Minister, but the Commissioner for Railways, because he will be the person to advise the Minister, the right to survey a railway route. Why should not the Parliament have an opportunity to consider such a proposal before money is expended in carrying it out? Parliament is the final arbiter, no doubt; but my point is that, if it is necessary to survey a certain route for the purpose of a public utility the Railways Commissioners should, through the Minister for Works and Railways, make the recommendation to Parliament, and Parliament should decide whether the survey should be made or not.

Senator PRATTEN.—A survey may, apparently, under this Bill, be carried with or without the consent of a State.

Senator NEEDHAM.—No; I presume that this applies only to surveys within Federal territory. We cannot legislate to run a railway through a State without the consent of that State. This clause gives the Minister power without consulting Parliament to make an investigation or survey of a railway route in Federal territory, and Parliament may subsequently discover that it has been merely a waste of money.

Senator FOLL.—The Minister has to authorize the expenditure of the money before the Commissioner can make the investigation or survey.

Senator NEEDHAM.—The honorable senator overlooks the fact that he may do so whilst Parliament is in recess, and Parliament will have no say in the matter until after the money has been spent.

I say that these proposals should come up for the consideration of Parliament in just the same way as proposals for works and buildings, the money for which is included in the Estimates. Time and again the consent of Parliament has been sought for votes for the erection of new post offices and new Customs houses. The expenditure upon these public utilities has to be sanctioned by Parliament before a penny is spent.

Senator RUSSELL.—The survey of a site for a post-office?

Senator NEEDHAM.—Even the proposal to purchase land on which to erect a post-office has to be sanctioned by Parliament.

Senator HENDERSON.—If we had waited for parliamentary sanction we would not have had the new post-office at Perth to-day.

Senator NEEDHAM.—Authority had to be given through the Estimates before any money was spent upon that building.

Senator RUSSELL.—We cannot survey a foot of land until this Parliament votes the money.

Senator NEEDHAM.—That is where the Minister and I differ. If he will read the clause he will find that that is not so. There is no provision here for Parliament itself to have a say in the expenditure of that money. It is the Minister first and the Minister last. It is to be a matter between the Minister and the Commissioner.

Senator REID.—Do you not think that the Minister will do as Parliament likes, because it will have to vote the money?

Senator NEEDHAM.—I admire the innocence of the honorable senator. If the Government did everything which Parliament liked, there would be no need for controversy. It is because the Government do not take that course that the need of controversy arises. The Minister has interjected that it could not be done without the sanction of Parliament; but that is the very point on which we are at issue. I contend that the Minister can spend all this money without Parliament knowing anything about the expenditure.

Senator THOMAS.—Parliament must know at some time or other.

Senator NEEDHAM.—After the money has been spent?

Senator THOMAS.—If Parliament refused to ratify the expenditure the Minister would have to pay the money out of his own pocket.

Senator NEEDHAM.—I wish to save that situation. I want Parliament to have some knowledge of what is proposed to be done before the Minister takes unto himself the responsibility of spending the money. I have already referred to the Victorian system under which neither a survey nor anything else can take place without a reference of the proposal to the Parliamentary Standing Committee on Railways. I consider that the Minister here is taking too wide a power to himself. I ask honorable senators to carefully consider whether they should delegate the power to one man.

Senator FERRICKS (Queensland) [9.49].—I am opposed to giving a Minister such extensive powers. This clause seems to have been lifted from a State Railway Act. It might be quite applicable to the construction of State railways, but I will endeavour to show how it would be out of place in regard to the construction of Federal lines. In the case of a State, the railway proposals, as a rule, are not of great magnitude. A feature or preliminary survey is very often a purely formal matter, not entailing a great deal of expense, and not involving any great divergence of opinion otherwise. It is relatively a small matter with the great majority of railway proposals in a State. But when we come to consider the question of railway construction under Federal control, I submit that the conditions are entirely different. We shall not be building very many small railways. We shall not be building many railways, presumably. But the railways which are undertaken will be works of great magnitude. Suppose, for instance, that it was proposed to extend the Oodnadatta railway to the Northern Territory, or suppose that it was suggested, as an alternative, that there should be a deviation made into Queensland. The proposal would be of such mammoth proportions, in its after effect in regard to cost, that it would be well to obtain full particulars before even the proposal was seriously mooted. A feature or preliminary survey for a work of that kind would be far too great and important to allot to any Minister of the Crown who would be acting pretty well, we will assume, with the concurrence of the Government. Perhaps he would not go to that extent in safeguarding the public interests. In various Governments we have had experiences of Ministers who, in their Departments, have

taken great responsibilities upon themselves. The money would have been spent on the survey when, perhaps, Parliament itself would have no serious intent of going on with the project. The question has been not only raised, but stressed by frequent interjections from the other side, that the money could not be utilized unless it had been voted by Parliament. But, as Senator Needham very correctly pointed out, the work might be entered upon, and a considerable amount of money expended without the ratification of Parliament in recess or at other times.

Senator REID.—If Parliament were against the work, what would become of the Minister?

Senator FERRICKS.—That would depend upon how servile his followers were. Assuming that the proposal did come before Parliament before even the work was commenced, it would be brought before the Senate as one of a number of items in a Supply (Works and Buildings) Bill. I contend that discussion on one particular item could not be concentrated. There would be so many avenues of discussion, or so many targets of criticism, in the Bill, that such a huge proposal as the construction of a Federal railway would not receive that whole-hearted and concentrated consideration which its importance would fully warrant. If it came to the question of constructing a railway within a State, with the concurrence of the State according to the Constitution, that is an additional reason why Parliament should have first say. We have known such things as State jealousies, and it might be possible for a Minister, on his own initiative with the concurrence of the Cabinet, to undertake a survey and all initial expenditure for the construction of a railway, say, in Victoria or New South Wales, which would not be warranted—a railway which might be proposed to be built in a State represented by the Minister, and which he, perhaps, honestly enough might be desirous of constructing, thinking that it would be in the interests of Australia. In that case the money would have been spent, the responsibility, at any rate, would have been entailed, without any warrant from Parliament. This is an undue power to give to a Minister. It is a power which should not be taken from Parliament, because it should keep a firm hand on its railway policy.

Senator REID.—Provide for a limited sum to be spent instead of interfering with the powers of the Commissioner.

Senator FERRICKS.—That would not meet the case, in my opinion. A preliminary survey of a comparatively small railway, perhaps not entailing a very great expenditure, but confined to one State with the consent of that State, might not be a good thing for the Federation. Even if the Committee were to place a limit on the initial expenditure, it would not obviate that danger. I sincerely trust that Parliament will reserve its control. I do not think that it should give this power to a Government with a big majority, even if it was opposed by only a small minority. I might point out here that the small minority on this side represent 925,000 electors. The principle involved in this clause is dangerous, and, while it might be suitable enough for a State Act, it is wholly unsuitable for a Commonwealth Act. I sincerely trust that this power will be taken away from the Minister and reserved to Parliament.

Senator DE LARGIE (Western Australia) [9.57].—I think that if we were basing our action on the experience of this Parliament, and of this Chamber in particular, the alleged reasons given by Senator Needham for his amendment would be the best of all reasons against it. The most unseemly squabble we have ever had in the Senate occurred over a work which was really national, and that was a survey of the transcontinental railway. For the reason that Parliament had to give its sanction to the survey—a work which I believe nine-tenths of the people admitted was necessary—the proposal was defeated time and again. The Government were in favour of a survey being made, but because a number of men in Parliament resorted to different tactics, that most necessary work was delayed from time to time. Even in the State which Senator Needham represents that is the opinion of the people, I am sure.

Senator Lt.-Colonel O'LOUGHLIN.—Abolish Parliament altogether then, and let Ministers rule.

Senator DE LARGIE.—We could not possibly get this work done unless there was a Parliament, because it has to provide the money. I maintain that the preliminary expenditure on a railway survey is an absolute necessity. I sug-

gest that Senator Needham has given very good reasons for the clause being in the Bill rather than reasons against it.

Senator PRATTEN (New South Wales) [9.59].—I regret that I cannot agree with the remarks of Senator de Largie. I think that there is a good deal in the contention that the clause gives too much power to the Minister. I suggest to the Honorary Minister that if he were to substitute the word "Parliament" for the word "Minister," in sub-clause 3 where it occurs the second time, it would meet the whole of the many valuable suggestions which have been made.

Senator RUSSELL.—Do you realize that the Minister cannot authorize the expenditure of money unless it has previously been voted by Parliament?

Senator PRATTEN.—Since I have been here, the Senate has voted money which had already been spent by the Minister. It seems to me that the Commonwealth owns nothing but the Northern Territory, and that sooner or later there will have to be some trial surveys made with regard to linking up the north with the south. There may be a Minister representing South Australia, who in all good faith will want another trial survey south to north; there may be a Minister representing a New South Wales constituency, who also in all good faith will want a trial survey from Bourke to the north; and there may be a Minister representing a Queensland constituency, who will want a junction higher up, in all good faith, too. The clause seems to give too much power to the Minister to prejudice any unbiased and unfettered discussion on a matter of this sort in the Senate.

Senator EARLE (Tasmania) [10.1].—I am divided by the arguments advanced to-night. I recognise it is imperative that the Government should have the power to investigate and obtain an opinion to enable honorable senators to exercise their wise judgment when a question comes before them, and I think the object sought would be obtained by insisting upon the question of a survey being first submitted to Parliament. This end would be achieved if the word "preliminary" were inserted before the word "survey." This would enable the Ministry to make a preliminary survey, and obtain a report for the guidance of the Public Works Committee.

Senator RUSSELL.—Suppose it was only a short length of line?

Senator EARLE.—That would not matter, because the Government would have to come to Parliament for authority to construct. Senator de Largie's statement that the survey of the transcontinental railway was consistently opposed by the Senate seems to be an argument in favour of the amendment.

Senator PEARCE.—As a matter of fact, there had been a survey before that. It was authorized by the Government.

Senator EARLE.—That would be all right so far as the preliminary survey is concerned. I do not think it would be wise to place too much power in the hands of the Ministry. This authority should be vested in Parliament, which is responsible to the electors. It is quite true that a Government is responsible to Parliament, but once money is spent, we have to foot the bill, and the only satisfaction we can get is to turn the Government out. In order to meet the objections raised, I move—

That the word "preliminary" be inserted after the word "and" in sub-clause 1.

Progress reported.

ADJOURNMENT.

COMMONWEALTH ELECTION RETURNS.

Motion (by Senator MILLEN) proposed—

That the Senate do now adjourn.

Senator THOMAS (New South Wales) [10.8].—I do not wish to detain the Senate for long, but I desire to direct the attention of the Minister for Defence to the fact that yesterday he laid on the table some papers dealing with the last general election so far as it concerned the House of Representatives. I take it that before long similar papers referring to the Senate election will also be laid on the table, and I would like to know if it is possible for the Chief Electoral Officer then to give reasons for the informal votes. I do not wish to infer that votes declared informal were not legitimately informal, but I think it would be a very great assistance to members if we knew the reasons for informality, so that we could advise electors in the future. Though I have raised this question, I do not wish it to be understood that I am thinking of another general election. That is not in my mind at all. Three years ago there were as many as 30,000 informal votes in New South Wales alone for the Senate, and if we knew why they were declared informal it would probably help us to avoid this experience in the future.

Senator MILLEN (New South Wales—Vice-President of the Executive Council) [10.10].—Though Senator Thomas addressed his question to my colleague the Minister for Defence, I was the Minister who placed the papers on the table, and I remind the honorable senator that the returns covered both the Senate and the House of Representatives, a fact which he must have inadvertently overlooked. I regret to say—and I am sure other honorable senators join me—that the number of informal votes was as large at the recent election as on the previous occasion to which he referred. I can only say that the matter he mentioned will be brought under the notice of the Chief Electoral Officer.

Senator BAKHAP.—Some of the reasons for informality are not fit for publication.

Senator MILLEN.—It is desirable, if possible, to obviate these informalities in the future by taking advantage of the unfortunate experience of those whose votes did not count. In conclusion, I may say that Senator Thomas can surely have no reason to regard an election as an unpleasant subject. If it is unpleasant at all, it certainly is not unpleasant to those who were returned to the Senate at the last election.

Question resolved in the affirmative.

Senate adjourned at 10.12 p.m.

House of Representatives.

Wednesday, 15 August, 1917.

Mr. SPEAKER (the Hon. W. Elliott Johnson) took the chair at 3 p.m., and read prayers.

MEETINGS NEAR PARLIAMENT HOUSE.

Mr. TUDOR.—I wish to know from the Prime Minister if the proclamation which has been issued under the War Precautions Act, forbidding the assembling of more than a certain number of persons for the holding of meetings within a certain distance of Parliament House, prohibits the holding of meetings within the halls within the defined area. There are at least four such buildings: the Protestant Hall, at the corner of Exhibition-

street and Little Collins-street; the Masonic Hall, in Collins-street; the Socialists Hall, in Exhibition-street; and the Church of England Mission Hall, in Spring-street?

Mr. HUGHES.—The proclamation applies not to the holding of meetings at all times, but only to the holding of meetings during the sittings of Parliament. Its terms are a replica of the provision in the Victorian Act, and the practice which has been followed under that Act will be observed in its enforcement. I assume that it will not apply to meetings within halls. The Government in issuing the proclamation had not such meetings in mind. Should its legal effect be greater than was intended, the proclamation may be modified. Its object is to prevent the assembling of large bodies of persons for the purpose of overawing Parliament, and thus taking away the prerogative of my friends opposite to say what they please about the Government.

Dr. MALONEY.—Will the Prime Minister have the proclamation printed, so that it may be widely distributed?

Mr. HUGHES.—It has received a fairly wide circulation, but I shall be glad to take such further steps as may be necessary to make it known where it is most likely to be of service.

WAR-TIME PROFITS TAX ASSESSMENT BILL.

Mr. HIGGS.—Will the Treasurer to-day give the House an opportunity to consider the amendments which he proposes to move to the War-time Profits Tax Assessment Bill?

Sir JOHN FORREST.—I am afraid that that will not be possible. It is the desire of the Government that honorable members shall to-day address themselves to the motion for the second reading of the Bill, and express their views fully regarding it. As soon as possible after the Bill has been read a second time, copies of the proposed amendments will be placed in the hands of honorable members, so that they may make themselves fully acquainted with what is intended before the Bill is considered in Committee. The Government wishes to give the House the fullest information, but it would not be a wise thing to circulate notices of amendments before Ministers had heard what honorable members have to say regarding the Bill.

TASMANIAN MAIL SERVICE.

Mr. McWILLIAMS.—In the event of the mail steamers which pass between Melbourne and Tasmania being laid up, will steps be taken to provide for the carriage of mails by the auxiliary schooners which trade between the mainland and Tasmania?

Mr. JOSEPH COOK.—The Postmaster-General is confined to his home through illness, but I shall have this matter brought under his notice. He is already looking into the whole question of mail carriage, because of possible disturbances.

Mr. McWILLIAMS.—Tasmania being an island State, runs the risk of being shut off altogether from communication by mail.

Mr. JOSEPH COOK.—Quite so, and the fullest and most serious consideration should be given to the matter.

INDUSTRIAL CRISIS: STRIKE.

Mr. BRENNAN.—In view of the undertaking by the Prime Minister that the industrial relations of employers and employees would not be varied in principle during the war, and in view of the fact that a serious and sudden departure was recently made from the industrial conditions in the New South Wales railway and tramway workshops, which has resulted in a disastrous strike, will the Prime Minister, now that the matter has become one of Commonwealth concern, convey the terms of his promise to the New South Wales Government, and suggest that the matter is one that might properly be settled by arbitration?

Mr. HUGHES.—I am not aware that the subject-matter of the dispute falls properly within the category of industrial matters, but whether that be so or not, it is a condition precedent to all arbitration that there shall not be a preliminary recourse to the strike. Therefore, unless and until work is resumed by the employees, arbitration must be impossible and absurd.

AUSTRALIAN DEFENCE.

Mr. KELLY.—Has the Minister for the Navy recognised the enormous importance to Australia of aerial reconnaissance over the sea, and has his Department taken steps, by attaching officers to the

Royal Naval Air Service, to get information on active service which would be immensely valuable to this country after the war is over?

Mr. JOSEPH COOK.—The honorable member has taken good care that I know something about this subject, for he has many times brought it under my notice. I can only say that the matter is under the very serious consideration of the Department, with a view to taking steps for the inauguration of an Australian naval air service in connexion with Australian defence. For that purpose £5,000 has been already placed on the Estimates.

INDUSTRIAL CRISIS.

Sir WILLIAM IRVINE.—If I may do so without causing him any embarrassment, I should like to ask the Prime Minister whether he is prepared to inform the House of the attitude of the Government in regard to the present industrial crisis?

Mr. HUGHES.—The general attitude of the Government has been already stated in the Proclamation I issued on behalf of the Government, and which was published in this morning's press. There has been issued to-day a regulation, which will be gazetted during this afternoon, to give effect to that policy, particularly as it is set out in the last paragraph of the Proclamation. The regulation reads as follows:—

40c. Any person who, by word, deed, or otherwise—

- (a) interferes with, impedes, prevents, or hinders the discharge, loading, coaling, or despatch of shipping, or the performance of any industrial operation connected therewith or incidental thereto; or
- (b) interferes with or impedes any person who is engaged in, or dissuades, prevents, or hinders any person from the performance of any work connected with the discharge, loading, coaling, or despatch of shipping, or the performance of any such industrial operation,

shall be guilty of an offence.

The penalty for an offence is—On summary conviction, a fine not exceeding £100, or imprisonment not exceeding one year, or both. If tried on indictment, a fine of any amount, or imprisonment for any term, or both.

That regulation will take effect from the time of its gazettal this afternoon, and the Government propose to take such steps as are necessary to promptly and effectively carry out its provisions. We have

issued an appeal to the loyal citizens of this country to forthwith return to work, and to others, who were not engaged in the occupations in which a cessation of work has taken place, to enrol themselves for national service. In addition the Government have warned all persons that any attempt to interfere in any way will be promptly and effectively dealt with. The regulation is the legal sanction of that notification. It is proposed to establish forthwith in each city, places at which such persons as are willing to engage in the national work may enroll. Men are now being engaged in stacking the wheat that is lying on trucks and was in danger of being destroyed or greatly damaged by the rain. Watchmen have been stationed at the stacks, where, as I said this morning, many millions of pounds' worth of property is lying exposed to attack by any evil-disposed person who chooses to take this opportunity of destroying it. The general policy of the Government in regard to the crisis is this: We regard the present industrial outbreak as an organized attempt to take the reins of government out of the hands of those duly elected by the people to carry on the affairs of the country. It is an attempt to reduce democratic institutions to a farce. It is, in short, a belated effort by those who were defeated on the 5th May to set aside the will of the people.

Mr. SPEAKER.—Order! The honorable gentleman's answer is rather long. The right honorable gentleman's reply involves a lengthy statement of policy. It will be more regular to obtain leave of the House to make a statement.

Mr. HUGHES.—I have completed my remarks.

Mr. HIGGS.—Do the Government approve of the action of the New South Wales Government in introducing, during war time, a card system which is, without doubt, responsible for the present trouble?

Mr. HUGHES.—I direct the attention of the honorable member, and the citizens of the country generally, to the very clear and unambiguous statement set out in the Proclamation this morning, that the Government expresses no opinion as to the actions of the Commissioners of the New South Wales railways. We are not concerned with the merits of the dispute, or with the dispute itself. What we are concerned with is the reckless disregard of

the welfare of the country by unions which have no dispute nor any pretext for any dispute. There has been no card system introduced in connexion with the Wharf Labourers Union as between employer and employee, or as between the seamen and their employers. There is not the slightest reason in the world why the men engaged on the wharfs should have refused work. They interviewed me a few days ago and asked me if I would appoint a commission of inquiry into the cost of living. I have appointed that commission, but, despite that concession, on the very next day they evolved another pretext, viz., that they would not be "picked up" except at a certain place. They abandoned that pretext on Monday, and, throwing all disguises aside, said that they will not work till next Monday. In the meantime, their delegates have gone to Sydney in motor cars. This is an exhibition of the dire poverty that is said to be in our midst, and yet the honorable member for Capricornia asked a question about the card system in the New South Wales railways.

Mr. SPEAKER.—Order! This statement is going beyond an answer to the question that was asked.

Mr. TUDOR.—May I ask you, Mr. Speaker, whether honorable members generally will be allowed to debate the subject in this fashion?

Mr. SPEAKER.—Unfortunately, the Prime Minister suffers under an auricular disability, as honorable members are aware, and very often does not hear the call from the Chair. However, when questions are asked which involve answers of unusual length, and practically amount to making a statement, it would be better if the Minister concerned were to obtain the leave of the House.

Mr. CORSER.—Will the Minister for the Navy say whether there is any dispute at the Cockatoo Island Dockyards in connexion with the card system, since he understands that the men there have gone out on strike?

Mr. JOSEPH COOK.—The men at Cockatoo Island Dockyard are out on strike, but what for this deponent knoweth not.

Mr. MATHEWS.—I should like to ask the Prime Minister whether it is a fact that Miss Adela Pankhurst has been

arrested on the steps of Parliament House under his instruction? If so, does he not think his action was a little indiscreet?

Mr. HUGHES.—I receive the honorable member's tidings as did Moses that of those who met him with good news of the promised land. I did not know that Miss Pankhurst had been arrested on the steps of the temple, and I offer no observation as to whether the arrest was an indiscretion or not. That is for the police to determine. I endeavour to live in peace with my fellow-citizens; above all, with my female fellow-citizens, and I am not going to say one word about the arrest.

Mr. POYNTON. — I wish to ask the Prime Minister if it is not a fact that the card system has been in operation for many years in connexion with the job-printing branch of the *Worker* office, Sydney?

Mr. HUGHES.—I do not know. If it has been in use, I have no doubt it has been a great success.

Mr. WEST.—I desire to ask the Prime Minister a question relating to a matter so serious that in order that he may be under no misapprehension when replying to it, I have had the question type-written, and shall present him with a copy of it. I wish to know whether the Prime Minister is aware that in the industrial dispute in New South Wales the men have no objection to a mere change in clerical work? Is he aware that already a system of booking the time of work is in vogue, and that this provides ample data for readily arriving at the cost of any and all work? Will the Prime Minister state if he is aware of what is meant by the "card" system—the speeding up of a workman to his utmost capacity, and pitting him against his fellows and against himself; a system which—

Mr. SPEAKER (Hon. W. ELLIOT JOHNSON).—Order!

Mr. WEST.—A system which aims to crush the last semblance of manhood out of him.

Mr. SPEAKER.—Order! The honorable member is now going beyond the asking of a question. I would remind him that questions are intended, not to impart, but to elicit information, and that it is not in order to embody in a question expressions of opinion or statements of fact.

Mr. WEST.—I did not desire, sir, to commit any breach of the Standing Orders. I wish to ask the Prime Min-

ister whether he is aware of certain facts. If you say that I may not do that, then it seems to me, sir, that, having regard to the present crisis, you are perpetrating a great injustice?

Mr. SPEAKER.—Order! The honorable member must not cast any reflection on the Chair. I merely carried out the Standing Orders in calling the honorable member to order. There are well known principles covering the asking of questions which honorable members must observe.

Mr. WEST.—I do not wish to cast any reflection upon you, sir, but at this crisis in the history of Australia something more than what is allowable under the Standing Orders—

Mr. SPEAKER.—Order! The honorable member must confine himself to the asking of a question.

Mr. WEST.—I shall give notice of my question for to-morrow.

Mr. McWILLIAMS.—Will the Minister for the Navy say whether it is a fact that the employees in Cockatoo Island dockyard are at present on strike?

Mr. JOSEPH COOK.—It is a fact that nearly all the employees are out. I think that the only exception at present is in respect of the Electrician's Union, and I understand that the members of that union are taking a ballot to determine what they shall do. I really think they ought to finish the job.

Mr. FENTON.—In the absence of the Assistant Minister for Defence, I ask the Minister for the Navy whether the military police, who are among the large crowd outside this building, went there by order of the Minister for Defence or any authority of the Defence Department?

Mr. JOSEPH COOK.—I have no knowledge as to who sent him there, if they are there.

Mr. FENTON.—They may be merely sight-seeing.

Mr. JOSEPH COOK.—I take it they are there to keep the peace.

Mr. FENTON.—What! The military police?

Mr. BRENNAN.—The military police to keep the peace.

Mr. SPEAKER.—Order!

Mr. JOSEPH COOK.—And to protect honorable members from molestation.

Mr. BRENNAN.—Do you not see—

Mr. SPEAKER.—The honorable member for Batman is out of order.

Mr. JOSEPH COOK.—I do not know why this howling takes place.

Mr. BRENNAN.—Because you are upsetting Hughes

Mr. SPEAKER.—Order! The honorable member for Batman is again out of order.

Mr. JOSEPH COOK.—I have already said that I do not know who sent the military police there.

Mr. FENTON.—You have said——

Mr. SPEAKER.—The honorable member for Maribyrnong is out of order.

Mr. JOSEPH COOK.—The honorable member asked why the military police were there. I said I did not know, and I was proceeding to tell him why I thought the police were there. It is evident, however, that he does not want information.

Mr. CONSIDINE.—I desire to ask the Prime Minister a question bearing on the statement made by him a few minutes ago. I wish to ask whether his resentment of the action of the President and Secretary of the Melbourne branch of the Wharf Labourers Union in travelling to Sydney by motor car——

Mr. SPEAKER.—Order!

Mr. CONSIDINE.—Is due to the fact that he himself travelled by a special train for which they paid——

Mr. SPEAKER.—Order! Questions of a personal character containing reflections are not in order.

PORT AUGUSTA TO KALGOORLIE RAILWAY STRIKE.

Mr. FOWLER.—Will the Minister for Works and Railways state whether there is still going on amongst workers on the east-west railway a strike that is likely to seriously interfere with the completion of that work?

Mr. WATT.—There is a strike on the eastern section of the east-west line. At the present time nearly all the men at that end are out, but, so far, the strike has not extended to those employed on the western section of the line.

Mr. ANSTEY.—Mr. Speaker,—Am I in order in addressing a question to you, drawing your attention to the fact that in the basement of these premises there are something like 500 policemen? I understand that they are here to protect honorable members from molestation. May I ask if I can have my quota here?

Mr. SPEAKER (Hon. W. Elliot Johnson).—I remind the honorable member that frivolous questions are out of order.

Mr. KELLY.—When the Minister for the Navy was asked a question a moment ago with reference to the military police, I noticed that his answer was in reference to ordinary civil police. I desire to know whether the right honorable gentleman intended his answer to apply to the civil police or to the military police? In my opinion, there is an important difference.

Mr. JOSEPH COOK.—It will be found, on reference to *Hansard*, that I clearly stated, in answer to the question, that I did not know anything about where the police came from, or who sent them here. It is only the sinister minds opposite which are trying to attach a significance to my answer.

Mr. SPEAKER.—I must ask the honorable member to withdraw that reflection.

Mr. JOSEPH COOK.—I withdraw and apologize.

Mr. ANSTEY.—I desire to draw the attention of the Minister for the Navy to the fact that there is a fire-hose laid all round these premises. I should like to know whether that hose is connected with the right honorable gentleman's Department. I take it that that is a fact; and I should like to know what the Minister intends to do with it.

Mr. JOSEPH COOK.—I think a question about hose to put out fire comes appropriately from my honorable friend.

Mr. HIGGS.—Why did not the Prime Minister, when he first heard of the New South Wales trouble, endeavour to use his good offices to get a conference for the men in order to have the matter in dispute settled by arbitration?

Mr. HUGHES.—What is my status in the matter?

Mr. HIGGS.—Are you not Prime Minister of the Commonwealth?

Mr. HUGHES.—My right to interfere begins when the business of the country can no longer be carried on. Directly that occurs I consider that the Commonwealth ought to interfere, law or no law. Directly we were told that we could not send our food to Great Britain, that we could not send our transports, and that we could not even coal a hospital ship, I thought it was time to interfere.

Mr. BRENNAN.—I desire to ask the Minister for the Navy whether those

observations in the Proclamation published in this morning's press, over the name of the Prime Minister, impugning the loyalty and good faith of the principal sufferers in this strike, have the approval of the Government generally, and the approval of the Minister himself?

Mr. JOSEPH COOK.—Surely the honorable member does not expect me to answer that question?

Mr. McWILLIAMS.—As the matter is of some importance to some of us, at any rate, I ask the Minister for the Navy whether he is responsible for the military police being brought within the precincts of this House?

Mr. JOSEPH COOK.—I should like to again make it clear that I know nothing whatever about these police—where they came from, who sent them, or for what purpose they are here. I do not know whether they are civil police or military police.

Mr. MATHEWS.—Has the Prime Minister seen in the newspapers a report of a meeting of the followers of Pluto—I mean the Plutocrats, which are just the same—in South Australia, where one man remarked that some blood-letting of the workers would do good? Is that not inciting to disorder and revolt, and ought not some action to be taken in connexion with this utterance? The remark was made at a meeting of the Employers Federation.

Mr. POYNTON.—It was not made in South Australia.

Mr. HUGHES.—I have not seen that statement, but I have no hesitation in saying that if such a statement were made, the man who made it deserves the severest punishment that can be inflicted upon him. It is the most contemptible and damnable thing to say.

Mr. TUDOR.—It was said in Western Australia, not South Australia.

Mr. HIGGS.—I desire to ask the Prime Minister whether he has seen a statement in the press to the effect that he last night said that he had not received from New South Wales any communication whatever concerning the strike, its progress, or anything in relation to it, although the strike affected the whole Commonwealth, because it had led to trouble in which the whole Commonwealth had been involved? Did the Prime Minister

give a pressman that information, in view of what appeared in the *Age* of 4th August, to the effect that Mr. Beeby, the Minister for Labour in New South Wales, had come over specially to Melbourne to consult with the Prime Minister and inform him about the strike? According to that newspaper, the Prime Minister, when seen subsequently to his interview with Mr. Beeby, stated that that gentleman had given him full particulars with regard to the state of affairs in New South Wales, and had discussed the general position resulting from the strike. Which is correct? Did the Prime Minister know about the strike, or did he not know about it?

Mr. HUGHES.—What I said to the press last night was that, since I had seen Mr. Beeby, I had had no information, good, bad, or indifferent, of any sort or kind. Although I have asked to be supplied with information as to the position daily, I have not been so supplied from any source at all; and I think I ought to be.

Mr. HIGGS.—I ask the Prime Minister whether, when Mr. Beeby waited on him on the 3rd August, he did not assure Mr. Beeby that the Federal Government would stand behind the Government of New South Wales in regard to whatever action they took in connexion with the strike?

Mr. HUGHES.—Such a question ought not to be put. I decline to answer it, beyond saying that it is absolutely untrue that there was any such request made or assurance given. The honorable member has a mind like a toad in a cesspit.

Mr. SPEAKER (Hon. W. Elliot Johnson).—Order! I ask the Prime Minister to withdraw that statement, and apologize.

Mr. HUGHES.—What am I to withdraw?

Mr. SPEAKER.—The whole of the statement reflecting on the honorable member for Capricornia.

Mr. HUGHES.—All right. I withdraw it.

Mr. SPEAKER.—I would remind the Prime Minister that the Presiding Officer must look to the head of the Government for assistance in the maintenance of order. The right honorable gentleman has made a very serious reflection on the

honorable member for Capricornia, and I think that he will see that it is his duty also to apologize.

Mr. HUGHES.—Very well; I withdraw the remarks, and apologize.

KALGOORLIE TO PORT AUGUSTA RAILWAY.

TRAFFIC BRANCH.

Mr. RICHARD FOSTER.—Is the Minister for Works and Railways in possession of the return he promised of the revenue and expenditure in the traffic branch of the transcontinental railway; and, if so, will he lay it on the table?

Mr. WATT.—The return is completed, and I shall have an opportunity to lay it on the table to-day.

STOCKHOLM CONFERENCE.

Mr. BRENNAN.—Has the Prime Minister, in his official capacity or otherwise, made any representations to the Secretary of State for the Colonies with regard to representation by Britons at the Stockholm Conference? If the Prime Minister did make representations, what were the terms?

Mr. HUGHES.—I did make representations. I have not a copy of the cable here, and I do not know that if I had I should be justified in stating what it was, because it was a secret communication to the Secretary of State. I shall, however, endeavour to get the cable, and having done so will read it; but, broadly, it was to the effect that I did not believe in the Stockholm Conference, and did not think that there ought to be British representation thereat.

HORSE BREEDING.

Mr. RODGERS.—I wish to ask the Prime Minister, in the absence of the Assistant Minister for Defence, if it is not a fact that, on the motion of the honorable member for Riverina, this House determined some months ago that the Government of the Commonwealth should lay the foundations of a stud farm for the breeding of Defence horses. In view of the dispersal of magnificent studs in the Old Country, and the consequent availability of the best blood in the world, will the Government avail themselves of the opportunity to obtain some of this stock

with which to establish a stud farm for horse breeding for Defence purposes?

Mr. HUGHES.—If the honorable member will supply me with some data, I shall be glad to make inquiries.

Mr. RODGERS.—Will the Prime Minister confer with the Minister for Defence, and will his Government confer with the British Government, with a view to securing for Australia and thus retaining within the Empire the blood-horse studs of Britain, which have taken centuries to establish, instead of allowing them to be dispersed throughout the world?

Mr. HUGHES.—Yes, I shall.

INDUSTRIAL CRISIS.

Mr. PALMER.—Will the Government consider favorably a suggestion that municipal councils and other public bodies in rural districts should be moved to convene public meetings for the purpose of reading the Government's proclamation relative to the strikes, and in order to give the public an opportunity of passing resolutions in support of law and order?

Mr. HUGHES.—As the proclamation is directed to all citizens, the Government will be glad to avail themselves of the services of any municipal or district council for that purpose.

TRANSFER OF RECRUITS.

Mr. ARCHIBALD. — Last week I asked the Honorary Minister a question relating to the transfer of infantry recruits to the artillery, but the Minister, in furnishing a reply at a later date, attributed the question, to the honorable member for Adelaide. Will he see that the matter is corrected in *Hansard*?

Mr. COOK.—I understand that the correction has already been made.

WOOL TOPS.

Mr. HIGGS.—When does the Prime Minister propose to lay upon the table a copy of the agreement between the Government and the Colonial Combing and Weaving Company, which was promised a week ago?

Mr. HUGHES.—I will lay it on the table now.

ENEMY SHAREHOLDERS.

Mr. HIGGS asked the Prime Minister, upon notice—

1. Having reference to the public announcement in the press of 4th July last that "action was to be taken shortly to put on the market

hundreds of thousands of shares in Australian companies which were held by persons of enemy origin prior to the war, and which were taken over by the Comptroller of Customs in the capacity of public trustee under the Trading with the Enemy Act," have any of the said shares been placed on the market?

2. If so, how many were placed on the market, and how many sold?

3. Have any of the above-mentioned shares been sold by public auction?

Mr. HUGHES.—The answers to the honorable member's questions are as follows:—

1. No, but action will shortly be taken.
- 2 and 3. See No. 1.

GALVANIZED IRON AND FENCING WIRE.

Mr. GREENE (for Mr. FLEMING) asked the Prime Minister, *upon notice*—

1. Is he aware that quantities of galvanized iron and fencing wire are being held by certain firms for a rise in prices?
2. If so, will he take steps to see that this restriction to development and production is removed?

Mr. HUGHES.—The answers to the honorable member's questions are as follows:—

1. Inquiries will be made to see if this is so.
2. Yes.

LIQUOR MEASURE.

Sir ROBERT BEST asked the Prime Minister, *upon notice*—

1. Whether he has seen an article in the *Argus*, of date 25th July, headed "Antiquated Units: The Proof Gallon"?
2. Was the announcement made to the press by the Advisory Council of Science and Industry?
3. Does it represent the views of the Advisory Council?

Mr. HUGHES.—The answers to the honorable member's questions are as follows:—

1. Yes.
2. An announcement was made to the press by the Advisory Council. In the paragraph in the *Argus* certain parts of that announcement were omitted.
3. The paragraph substantially represents the views of the Advisory Council, but the Council drew attention in their announcement to the fact that the estimation of alcoholic strength in terms of percentage composition may be by volume or by weight; but it has not yet been decided which of these it would be more convenient to adopt.

AUSTRALIAN IMPERIAL FORCE.

GENERAL MURRAY'S COMMENDATION: COMMONWEALTH BANK INTEREST ON SOLDIERS' PAY.

Dr. MALONEY asked the Minister representing the Minister for Defence, *upon notice*—

With reference to the reported statements attributed to Brigadier-General Sir Robert McC. Anderson that General Sir Archibald Murray, recently commanding in Egypt, had told him that he (General Murray) would rather lose a division of other troops than a brigade of Australians, will the Prime Minister, in justice to General Murray, cable to him to ascertain if the statement is correct?

Mr. JENSEN (for Mr. GROOM).—The Minister does not propose to take action as suggested.

Mr. GREENE asked the Treasurer, *upon notice*—

Whether he can inform the House what rate of interest is being paid by the Commonwealth Bank on allotments of pay which are being paid into the Bank on behalf of soldiers on active service abroad?

Sir JOHN FORREST.—The Governor of the Commonwealth Bank has furnished the following reply:—

Interest at the rate of 3 per cent. per annum, calculated on the minimum monthly balance at credit, is allowed on allotments of pay paid into the Commonwealth Bank on behalf of soldiers. The usual interest bearing limit of £300 is suspended in the case of soldiers, and interest is allowed on the full amount to the credit of *bonâ fide* military depositors who are on active service abroad.

HOTEL TRADING HOURS.

Mr. SINCLAIR asked the Prime Minister, *upon notice*—

Whether the Government has come to any decision with regard to uniformly closing all bars for the sale of intoxicating liquor throughout Australia at 6 p.m.?

Mr. HUGHES.—No. The matter is being considered.

BONUS FOR IMPROVED CULTIVATOR.

Dr. MALONEY asked the Minister for Trade and Customs, *upon notice*—

In the interest of the farmers, and in view of the absolute need of up-to-date tractor cultivation, will the Government consider the offering of a prize or a bonus to any engineer-

ing firm who will place on the market a convertible motor car that can be converted into a lorry for carriage and into a tractor for cultivating the land?

Mr. JENSEN.—The matter will be considered.

SHIPBUILDING.

Dr. MALONEY asked the Minister for the Navy, *upon notice*—

Are there any officers in the Navy Department with the necessary experience of building merchant vessels; if not, in the interest of public expenditure, will the Minister employ officers from outside the Department who are possessed of the necessary qualifications?

Mr. JOSEPH COOK.—There are already officers in the Navy Department who are qualified ship constructors.

SMALL ARMS FACTORY RIFLES.

Mr. JOHN THOMSON asked the Minister representing the Minister for Defence, *upon notice*—

1. At what date was the Minister first aware that the rifles made at the Small Arms Factory, Lithgow, were not interchangeable with those now being made by the British Government?

2. At what date does the Minister expect to have the rifles made at Lithgow interchangeable with the British rifle?

3. Is it not a fact that more important alterations to the rifles than in the sighting, as stated in Minister's reply of the 8th instant, are necessary before the ammunition used in France can be used in the Lithgow-made rifle?

4. What use, if any, is being made of the Lithgow rifles, seeing they are not interchangeable?

5. What steps have been taken by the Minister to bring the output of rifles at Lithgow up to the stipulated capacity of the increased plant and double shift?

Mr. JENSEN (for Mr. GROOM).—The answers to the honorable member's questions are as follow:—

1. The honorable member has already been informed that the Australian rifle is interchangeable with the British rifle, but that it requires some slight alteration in the sighting to fire Mark VII. ammunition effectively. It was in 1911 that the Minister first became aware of this. Since that time the matter has been the subject of communication with the British Government.

2. It is expected that rifles sighted for Mark VII. ammunition will be produced at Lithgow in the course of the next six months.

3. No. Minor alterations to other components are necessary, but sighting is obviously the most important, seeing that the Mark VII. ammunition is of lower trajectory.

4. As a service rifle full use is being made of the Lithgow-made rifle in arming the troops.

5. Every effort possible has been and is being made to bring the output to the full capacity of the plant.

LIST OF FOOD PRICES.

Dr. MALONEY asked the Prime Minister, *upon notice*—

Will he consider the issuing of instructions that all shops, warehouses, and purveyors of fixed-price foods should have placed in a conspicuous place a list of the prices of all fixed-price foods sold by them in order that the public may know the correct price to be paid?

Mr. HUGHES.—The matter is receiving consideration.

PAPERS.

The following papers were laid on the table:—

Public Service Act—Promotion of A. J. Rutherford, Postmaster-General's Department.
War Precautions Act—Regulations Amended—Statutory Rules 1917, No. 182.

Wool Tops—Contracts and agreements for sale and purchase between—

Commonwealth Government and Whiddon Brothers Limited.

Commonwealth Government and The Colonial Combing, Spinning, and Weaving Company Limited.

Colonial Combing, Spinning, and Weaving Company Limited and—

Mitsui Bussan Kaisha Limited.

Iwai and Company Limited.

F. Kanematsu.

F. Kanematsu.

WAR-TIME PROFITS TAX ASSESSMENT BILL.

SECOND READING.

Debate resumed from the 10th August (*vide* page 1016), on motion by Sir JOHN FORREST:—

That this Bill be now read a second time.

Sir WILLIAM IRVINE (Flinders) [3.50].—After the mild excitement that we have had a discussion of the provisions of the War-time Profits Tax Assessment Bill should have a soothing, if not a salutary, effect on honorable members. Personally, I do not intend to offer myself as the necessary sedative, as on Friday last I had practically concluded what I had to say about the Bill at this stage. The other matters to which I shall address myself are rather matters to be discussed in Committee than on the motion for the second reading. I wish to refer once more to the fact that the measure seems insufficient for the purpose for which it was introduced, the total amount of money which the Treasurer anticipates to receive from the imposition of the proposed tax hardly warranting the introduction of the Bill. I wish to say also that

the taking away, by means of a war-time profits tax, of 75 per cent. of the excess profits gained during the last two years of the war period is, perhaps, the worst way in which money could be raised. Members are at one in thinking that the heaviest taxation should be levied on war profits; but if we tax at the rate of 75 per cent. excess profits which are not war profits, we shall be taxing heavily a small section of the community, and following a course prejudicial, and possibly ruinous if carried very far, to the country's interests. Like all the other countries engaged in this terrible war, we shall have shortly to face the most serious commercial and industrial position with which we have yet been confronted. There is now taking place an enormous destruction of the working capital of the community, and the task of reconstruction will require all the energy, organizing ability, and capital which can be devoted to it. Even then, it will prove almost overwhelming in magnitude and danger. If we are to succeed, we must maintain and restore our necessarily lowered credit and capital, so that the community may be in a condition to apply its energies to the production of wealth. Putting aside the proposal to tax war profits, let us deal with the Bill as a proposal to tax profits that are not war profits, but have arisen from greater skill or good fortune in the conduct of business. If you tax such profits at the rate of 75 per cent., you do the utmost to weaken the springs of energy and enterprise. For that reason, as I said on Friday last, the only justification for so enormous and confiscatory an imposition as this is that it is a tax on war profits, and on war profits only. If it is not such a tax, it should be brought as near to that definition as possible. There are many provisions in the Bill to which I shall refer in Committee; but I appeal to the Minister in charge of it to adopt the course which alone will enable it to be made workable, and to be applied with justice, and that is to make it appear, on the face of it, that its object is to tax the profits which have arisen by reason of the war, and to tax nothing else. Such taxation should apply to all persons who have derived such profits, without any exemption whatever.

Mr. FINLAYSON (Brisbane) [3.56].—My attitude in regard to the Bill will

be easily and briefly stated. On the 8th December last I expressed the view that a measure such as this is not calculated to accomplish the results desired by the people. I object to this Bill for the reasons for which I objected to the last Bill. It is not what it represents itself to be, nor what the people had a right to expect, nor what they think it is. The people and the Government are of opinion at it is perfectly right to tax profits made in war time.

Mr. FOWLER.—Profits made because of the war?

Mr. FINLAYSON.—Yes. This Bill has not been framed for that purpose; and if it had been, it would be rather a reflection on us than anything for which we might claim credit. There is a peculiar anomaly in the fact that during war time a section of the people should be able to so increase prices as to make exceptional profits. Surely where patriotism was anything better than what Dr. Johnson called it, "the last refuge of a scoundrel," it would be impossible for any man or any company to reap rich rewards in profits during a period of national struggle and danger. It is to our shame and disgrace, and indicates our inability to meet the systems that are operating in the world to-day, that there should be war profits; but during this, as during every previous war of which we have any knowledge, the same thing has happened. We have had in Great Britain, Russia, France, and Germany, exposures of enormous profit making, and in to-day's newspapers there is an instance of the way in which America, who is now our Ally, took advantage of our National necessities earlier in the war. In one factory alone the British people are now making a profit of £8,000,000 over the prices charged by American manufacturers for the same goods. If the Bill sought to minimize the possibility of profit making during the war, there might be some attractiveness about it, but neither in the measure nor in the speech of the Treasurer do I find any reason for thinking that it will put a stop to the making of profits during war time.

Mr. CORSER.—If no profits were allowed, all businesses would be closed.

Mr. FINLAYSON.—I hope to reply to the interjection later in exactly the terms that I used on the 8th December last. I wish to know what is to be done to prevent the making of profits during war

time. I am more desirous of stopping the profiteer than of taking part of his excess profits. The Treasurer, in his second-reading speech, correctly pointed out that the profits made because of the war in Australia are in a different category from those made by manufacturers in the Mother Country or in Canada, where huge Government orders for the manufacture of munitions have been placed. Australian merchants, having had no such orders, have made profits, not out of the British Government, but out of our own people. Our war expenditure has been about £100,000,000, and I cannot imagine that it has been distributed through the various channels along which it has flowed at a less profit than 5 per cent. The Treasurer proposes to secure £1,000,000 of this £5,000,000 of profit over a period of two years. It is a rather significant sidelight on the proposal that the Treasurer, in seeking for £9,000,000 to make-up the deficit provides for war-time profits taxation amounting to £1,000,000 for two years, and for £500,000 by taxing widowers and single men between the ages of twenty-one and forty-five years. No matter what may be the underlying motive of the latter tax, the public will regard it as economic conscription, as intended to force young men between the ages of twenty-one and forty-five years to enlist.

Mr. CORSER.—It is a tax on all between those ages, not merely on eligibles.

Mr. TUDOR.—The Treasurer has not yet made a definite statement regarding the proposal.

Mr. FINLAYSON.—No doubt there will be many exemptions and extensions, but in the public mind the idea is rooted, and I think quite correctly, that this proposed tax on single men and widowers without children is another effort, not so much to raise revenue as to force men to enlist. I do not think the Treasurer should adopt any such measures. Rightly or wrongly the country has declared against conscription, and the Government have been fairly honest, and the Director-General of Recruiting particularly honest—I give them credit for it—in pointing out what the Government's policy is. If that is true in regard to one aspect of conscription, it ought to be equally true in regard to the financial aspect. However, I do not wish to labour that point, because when the proposed tax comes before us we shall have an op-

portunity of objecting. My point is that £5,000,000 has been made in profits out of expenditure on the war. The Treasurer says that he sees his way to take only £1,000,000.

Sir JOHN FORREST.—I will take all I can get, but I am not sure of the amount. This sum is in addition to the income tax which they all pay.

Mr. FINLAYSON.—May I remind honorable members that the Prime Minister, when making his Ministerial statement on the 30th August, 1916, said—

There must be, as far as humanly possible, equality of sacrifice. Wealth has its duties; it owes all it has to the State, and must be prepared, if necessary, to sacrifice that all to the State. Many wealthy men have responded nobly to the call of duty; others have not. But they cannot be allowed thus to evade their responsibilities.

All other considerations must be swept aside. One great principle must now govern our every action. Whatever is necessary for the salvation of the country must be done; and, since we are calling upon men to sacrifice their lives, we ought not to, and shall not, hesitate to compel men to sacrifice their wealth.

Mr. CORSER.—There is nothing wrong about that.

Mr. FINLAYSON.—No; the House approved of the idea then. Does the Treasurer still approve of it?

Sir JOHN FORREST.—That is what is taking place to-day.

Mr. FINLAYSON.—Does the right honorable gentleman ask the people to accept this War-time Profits Bill as an indication of the intention of the Government to compel wealth to accept its share of its responsibilities in connexion with the war?

Sir JOHN FORREST.—It is one means. Those who make money must pay some of it to the Treasury.

Mr. FINLAYSON.—The Treasurer must admit that if this is one means it is a very feeble, harassing, and unsatisfactory method. I agree entirely with the right honorable member for Flinders in questioning whether, if the Treasurer's estimate of receipts from this tax is based upon reliable figures, the Bill is worth having.

Sir JOHN FORREST.—A million pounds not worth having?

Mr. FINLAYSON.—The Treasurer need not put it that way. It is not a question of whether a million pounds can or cannot be got, but whether this is the best way of getting it.

Sir JOHN FORREST.—I think it is a very good way. Those who have made the money must pay some of it.

Mr. FINLAYSON.—I agree that those who make money should pay, but I do not think that this Bill represents the best way of making them do that. Already, with very good reason, there is considerable restiveness amongst the commercial classes generally because of the multiplicity of returns demanded by the Federal and State Governments. This war-time profits tax will involve an additional burden. More returns will be required, and if the particulars sought by the Treasurer in the Bill are insisted upon they will involve practically another

delving into business methods, the employment of a number of clerks who will do nothing else but resurrect old returns, and look through accounts, and even then there will not be the slightest guarantee that the results will even approximate what they ought to be. Companies are too clever nowadays, and accountants are too agile, not to be able to so arrange their balance-sheets as to practically hide their profits. It is almost impossible to actually discover the percentage of profits made by any ordinary company, although we do get occasional glimpses of what is taking place. For instance, these are the war profits made in connexion with the shipping industry in England:—

Year.	Earnings.	Expenses.	Net Profit.	Profit Tax.	Balance.	Capital.	Dividend.
	£	£	£	£	£	£	
1913	127,000,000	107,000,000	20,000,000	Nil	20,000,000	192,000,000	10½ %
1916	410,000,000	160,000,000	250,000,000	115,000,000	135,000,000	200,000,000	67½ %

The profits were £50,000,000 in excess of the capital. That indicates what is taking place in the Old Country. But I do not suggest that the same sort of thing is happening in Australia. I do not believe that the shipping companies or the manufacturers in Australia are making the same profits as are being made on the other side of the world. They have inflated prices and placed fictitious values on commodities, but so far from the Government doing anything to protect the people against the rise of prices, this Bill not only says in effect, "We will take some of your profits from you," but practically encourages men to make more and more profits.

Mr. CORSER.—Does the honorable member say that this Bill is inequitable?

Mr. FINLAYSON.—I do.

Mr. CORSER.—Do you know that the Brisbane Chamber of Commerce says that it is equitable?

Mr. FINLAYSON.—I have received a communication stating that the Brisbane Chamber of Commerce has passed a motion to the effect that the principle of the taxation of war-time profits appears to be equitable. I have no objection to the Chamber of Commerce expressing that view, but surely I may be allowed, with all humility, to hold a different opinion. I say now, as I said on the 8th December

last, that I do not like the principle of this tax. If money is required there is an easier and less harassing way of getting it.

Sir JOHN FORREST.—Let us hear it.

Mr. FINLAYSON.—I shall repeat what I said last year to the previous Treasurer on this matter, as reported in *Hansard*, page 9629, vol. lxxx.—

Mr. POYNTON.—What is the honorable member's alternative? He believes, I suppose, that we should make provision for returned soldiers.

Mr. FINLAYSON.—Absolutely. My alternative is to pile up the income taxation. I would take income, but not capital. The suggestion to take capital has already had an effect upon investments. I think that the Government should discourage "wild-cat" proposals; but everything possible should be done to encourage investment in enterprises making for the development of the country and the employment of its people.

I say that the tax is inequitable because it will hit people who have not made profits on account of the war, although they have made profits in war time. I know of businesses which were in a bad position prior to the war, but, having changed hands and new methods having come into operation, they became converted from losing into profitable undertakings. Their profits are being made during war time, but are not made because of the war. They are not made

through the supply of any commodities needed for the war; yet the owners are to be penalized because they have made a success of their business. This tax will be inequitable also because it will make it more difficult to get people to invest in industries. With the possibility of such a war-time profits tax operating, what company or individual would launch out into expenditure in the establishment of new industries? In the Bill there is nothing to encourage industry, but everything to discourage it. No honorable member of the House would be prepared to invest money in starting a new industry, because the profits he might make would be taken from him.

Mr. CORSER.—There is a 10 per cent. reserve.

Mr. FINLAYSON.—I know there is a 10 per cent. reserve and a £200 exemption. But the alternative, the increase of the income tax, is so much easier, that there is no necessity for this impost. That brings me back to the point that business people will be further harassed by this additional investigation of their books, and that there will be another expensive Department created. We shall be simply piling agony on agony without any correspondingly satisfactory result. For an additional income tax or super-tax the machinery is already in existence. We have the officers and the returns, and all we have to do is to compute the additional tax. Against such a tax as I am suggesting nobody would complain, because the loyalty and patriotism of the Australian people is so developed that no honest man would object to any equitable tax imposed for the purpose of doing justice to our soldiers.

Mr. SAMPSON.—Does the honorable member think that profits made as a direct result of the war should be levied on only to the same extent as profits made in the ordinary course of business, and not traceable to the war?

Mr. FINLAYSON.—The amount of profits directly traceable to the war is so small, comparatively speaking, that it is not worth while establishing new machinery to net a share of them, especially when the Government could achieve their desire so easily by means of the income tax.

Mr. SAMPSON.—The profits are confined to very few people.

Mr. FINLAYSON. — That supports my argument that there is no necessity for this Bill.

Mr. SAMPSON.—The businesses may be few, but the profits may be considerable.

Mr. FINLAYSON.—I suppose the Treasurer has some grounds for his estimate of £1,000,000 for two years' operation of this tax. But even that estimate does not justify this Bill, the harassment of the commercial community, and the introduction of new machinery. That estimate must include the tax on not only profits made because of the war, but also the larger portion of profits made during war time, but not directly traceable to the war. If we deduct from the total profits the amounts made during the war, but not traceable to the war, we shall have but a very small amount of war profits to be taxed.

When I was discussing this matter last year, the honorable member for Flinders (Sir William Irvine) asked how I would give effect to my suggestion in regard to the limitation of profits. I pointed out then, as I have to point out now, that with an income tax on the one hand, and the fixation of prices on the other, we could practically, if not wholly, prevent the making of profits during war time, and also protect the public from inflated prices. We have the machinery at our disposal at the present time, but the Government have made but little honest effort to fix prices. I quite admit all the difficulties associated with such an effort. I know, too, the evolutionary aspect of the movement. This war, however, has made very easy many things which were previously considered impossible. The fixing of prices has been accepted by every country to-day as necessary to secure, not only success in the war, but the protection of their own people. If we associated with an income tax the fixing of prices, we could achieve a much better result than would be possible under this Bill, and could achieve it at much less cost.

Mr. CORSER.—It could be done more equitably under this Bill than under the income tax.

Mr. FINLAYSON.—We may agree to differ on that point. This Bill will not help us in any way to reach the people whom we desire to reach. If it is true—and I think it is true to only a limited extent—that we have in Australia people who are making money out of the war, then, to my mind, we can get at them only by subjecting them to an income tax both hot and strong. There are in Australia to-day people who are making huge

profits, not directly out of the war—not by supplying goods to the Imperial Government, not by manufacturing shells or anything of that sort—but by purely artificial increases in the prices of commodities. We want to put a stop to that sort of thing, but we shall not do so either by an income tax or a war-time profits tax. There is only one way of accomplishing our purpose, and that is by so severe a limitation of prices as will prevent people making profits during the war.

Mr. HEITMANN.—A limitation of profits.

Mr. FINLAYSON.—Quite so, and we can only limit profits by limiting prices. I see no other way of achieving our object.

I was interested in reading the other day that Mr. Henderson, who was, until very recently, a member of the British War Cabinet, had said that if we had tried to get compulsion of wealth, the war would have been over before the Bill was through the House of Commons. If this Bill was even an instalment of a conscription of wealth, as we understand the term—and I confess it is almost impossible to give a definition of what is meant by "conscription of wealth"—there would be some satisfaction in the minds of the people. But this Bill does not propose to tax wealth. It does not propose to hinder profiteering, or to put any limit to profit-making. It does not propose in any way to prevent people amassing as much wealth as they can. It says, in effect, to such people, "You can go on making profits—you can go on putting up prices as much as you like, but let the Government have a share of the loot."

Sir JOHN FORREST.—They would not make any profits if the Government proposed to take all profits. They would not work for nothing any more than the honorable member would.

Mr. FINLAYSON.—I have pointed out that the very fact that the Government propose to share the loot with the profiteers is not going to encourage what we want more than anything else, and that is the utilization of capital in enterprises and industries so as to make wealth. If I thought this Bill would help in that direction, I would support it. I can find in it, however, nothing that would help such a thing.

Mr. SAMPSON.—Under this measure we can help to do what the honorable member suggests only by providing for liberal exemptions.

Mr. FINLAYSON.—I am entirely with those who disapprove of the proposed exemptions. There should be no exemptions whatever.

Mr. SAMPSON.—So that the honorable member wishes to make this, not a War Profits Bill, but a War-time Profits Bill.

Mr. FINLAYSON.—I do not desire to make anything of it. I do not believe in the principle, and am not in favour of the Bill. As I have already said, it is a fraud, since it is not what it pretends to be.

The Newfoundland Upper House has rejected a Bill for the taxation of business profits arising out of war revenue. That Chamber, I suppose, is a fair replica of most of the Upper Houses in the world. I know that the British House of Lords was not very favorably disposed to the War-time Profits Bill, but it had to make the best of it. Mr. Bonar Law, in a parliamentary paper, says that the number of income taxpayers in the United Kingdom increased from 1,200,000 in 1913-14 to 3,200,000 in 1916-17. What has been the increase in the number of income taxpayers in Australia during the war period? I believe there has been a very general advance in the incomes of business people during the war. Why should not the Treasurer avail himself of the Income Tax Act, with all the machinery now at his disposal, to reach the money so made? By means of the income tax he could raise a million with much less trouble to himself and the community than would be possible under this Bill.

Mr. RICHARD FOSTER.—And with practically no more expense.

Mr. FINLAYSON.—With no increase on the present expenditure.

Mr. CORSEY.—In that event, a lot of people would be penalized, while many who have made war-time profits would escape.

Mr. FINLAYSON.—No one escapes an income tax.

Mr. SAMPSON.—Would the honorable member levy income tax on the incomes of enterprises like the baser metal companies and shipping companies at the same rate as that imposed on incomes generally?

Mr. FINLAYSON.—I certainly would make the basis of income-tax payments

practically the same all round. I would do so for the reason that it is difficult to distinguish between income derived from any man's individual exertions and incomes derived from his being associated with other men. There is certainly something to be said in favour of the man who makes his income by his own individual exertions rather than by the employment of the brains and the abilities of other men. Admittedly there is a difference, but, after all, the income comes from the same people. It is made practically in the same way, because individual application must apply all the time. I do not think there is room for making these differentiations, which at all times cause trouble and annoyance to the Government Departments as well as a good deal of heart-burning on the part of the people affected. They are more of an annoyance than a help to the Government Departments.

I notice with considerable interest that Mr. Booker, M.L.A., of Queensland—

Mr. FENTON.—Is he a good Labour man, or is he a colleague of the honorable member for Wide Bay (Mr. Corser).

Mr. FINLAYSON.—He was a colleague of the honorable member for Wide Bay. On 11th August, 1914, he said—

I have discussed the question of prices during the last few days with a great number of cattle and sheep breeders, and I have not met one man who has not stated that he would be prepared to sign an agreement fixing the price for the output during the war at the mean basis price of a week previous to the outbreak of war. That is the sentiment in the heart of almost every cattle and sheep breeder.

Mr. CORSER.—There is nothing wrong with that.

Mr. FINLAYSON.—It is a very fine sentiment, with which I heartily agree.

Mr. CORSER.—The Queensland Government would not allow what would have been a patriotic action on the part of the meat and wool producers if they had agreed to accept for the period of the war the prices in operation at the beginning of the war.

Mr. RICHARD FOSTER.—The price of meat at that time was high.

Mr. FINLAYSON.—It was then 25s. per cwt., whereas it is now about 45s. per cwt.

Mr. CORSER.—What is the honorable member's authority for those prices?

Mr. FINLAYSON.—I have taken them from the *Sydney Bulletin*. In commenting on Mr. Booker's statement, the *Sydney Bulletin* wrote—

The price was then 25s. per cwt.; in Queensland now it is about 45s., and still there is an outcry against the Ryan Government for so fixing prices that the northern meat grower is making nothing by comparison with the southern pastoralist. Familiarity with war has bred contempt in the profiteer for most of the fine patriotic sentiments it started off with. But that is no reason why the instinctive justice of the early sentiments should not still be recognised by the Government, which has to finance the war.

The world is deluged with war, and there is trouble, sorrow, and difficulty in all the affected countries. However anxious we may be to see the end of the war, there is only one opinion in the minds of honorable members, and that is that we should secure a speedy and honorable peace. While the war lasts, there is one class in the community who may have a different opinion; and though that class is small, it exercises wonderful power and influence. I refer to that section which, in our own and every other country, is making money out of the war. Selfishness is stronger than their patriotism; and the consequence is that while the masses of the people are feeling the burdens of the war—facing the taxation, sorrow, suffering, and sacrifice—these few others are making profits. Cannot we find some method whereby this profiteering may be put a stop to? The opportunity is easier in Australia than in any other country, because, as I pointed out before, we are not directly interested in the manufacture of any of the necessities of the war. We are more concerned about keeping up the food supply, and are not in the same position as some of the other countries, where there are huge contracts, with enormous opportunities for money making. We are more in the nature of a people who are being bled to pay for those contracts in other countries, rather than getting any backward flow from that expenditure of money; other countries are growing rich at our expense. The unfortunate thing is that, even in Australia, though we have not those direct opportunities, there are a number of people who are getting richer and richer in consequence of the war. This is not directly because of the war, but they are able to take advantage of the fact of the war to increase

their profits. That is not a position that can commend itself to honorable members on either side, nor one that would appeal to the honest, intelligent mind of any citizen. I am more concerned about finding a way of stopping these profits than I am about permitting people to go on making them, and then imposing taxation. Prevention is better than cure, even in profiteering in war time.

Mr. POYNTON.—Would you not take any of the profits from these people?

Mr. FINLAYSON.—Yes; but by a different method. I have already quoted a reply that I gave to the honorable member for Grey (Mr. Poynton), when Treasurer, last December, that my alternative then, as it is now, was to use the income tax for this purpose, and to fix prices. As I have said, my attitude in regard to this Bill is easily and briefly stated. I am trying to find out if it represents one way of winning the war. I have promised that I will assist the Government in every possible way to win the war; and if the Treasurer tells me that this Bill is necessary for that purpose, I shall have to support it. I cannot see, however, how this measure is going to help to win the war; but I do see in it tremendous opportunities for annoying the public, harassing the business community, and doing in a roundabout way what we could accomplish in a direct way. Therefore, I am prepared to oppose the Bill.

Mr. WISE.—It was the policy of the last two Governments.

Mr. FINLAYSON.—Quite so; but I was opposed to that policy then. I know such a measure was part of the policy of the Labour party at the last election; but I was quite frank with my constituents, and said that, so far as I was concerned, I did not place any value whatever on a War-time Profits Tax Bill, either as a means of raising revenue or of preventing profiteering. There is nothing in the Bill to prevent people making money.

Mr. POYNTON.—And when there is a chance of taking some of the profits, you suggest that we should not do so.

Mr. FINLAYSON.—That is not so; but I would take the profits in another way.

Mr. POYNTON.—An income tax would penalize everybody.

Mr. FINLAYSON.—Not necessarily, because we could impose a super-tax. I agree with Mr. Arthur Henderson, who,

quite recently, just before he became a member of the British Government, said that if Great Britain tried to impose compulsion of wealth the war would be over before the Bill was through the Houses of Parliament.

Mr. POYNTON.—In what way would that affect the Germans? It is absurd!

Mr. FINLAYSON.—Mr. Henderson's statement may be absurd in the opinion of the honorable member, but I think that what was in his mind, as it is in the mind of all of us, was that there are a number of people in the community who are making much profit out of the war, and who will be the more satisfied the longer the war lasts. Even the British Government has introduced a Bill to tax war-time profits, and estimates to receive from this source £200,000,000 during the current year.

Mr. FOSTER.—But in England they are making munitions of war, and we are not.

Mr. FINLAYSON.—The British Government estimates to receive that amount during the third year on an 80 per cent. taxation, though they know that the profit making is going on all the time.

Mr. POYNTON.—The English measure is on exactly the same principle as our own, although ours is a little more liberal.

Mr. FINLAYSON.—The fact that something of this kind is necessary in England is no reason why the same thing should be imposed here. We have almost slavishly followed the precedent set us by the British Government in our war legislation.

Mr. RICHARD FOSTER.—In this Bill?

Mr. FINLAYSON.—And in other Bills. A Daylight Saving Act was passed in England, and we immediately rushed one through here, only to discover later, what we ought to have known at the time, that the meteorological conditions there are quite different from our own. The position of England in regard to war profits is not at all a basis for similar legislation here; the same standards are not in operation. If honorable members could show that profits are being made here on the same lines as in England, there might be a justification for following the British precedent.

Mr. POYNTON.—Is there a business firm in this or any other city that has not marked up prices on the stocks they had in hand?

Mr. FINLAYSON.—That is quite true; but how is the Bill going to stop them? What the Bill really says is, "Go

on making profits, and as fast as you make them, give us our share—go ahead!"

Mr. POYNTON.—Is not a tax of 75 per cent. better than doing nothing, as the honorable member proposes?

Mr. FINLAYSON.—I do not suggest that we should do nothing. On the contrary, I say that what we can do more easily is to increase the income tax, and stop the inflation of prices.

Mr. CORSER.—And stop importations?

Mr. FINLAYSON.—I place no limit on my desire to stop importations, because the more we can manufacture in Australia what we need for ourselves, the better for the country.

Mr. CORSER.—Quite so, if we can do it.

Mr. FINLAYSON.—We cannot do it to-morrow, but we can prepare to-morrow to do it next year; and in this connexion the Bill will not help us. The measure is not what it pretends to be. It will not impose a tax on war profits; and it is going to be a serious handicap to people who are carrying on legitimate business in Australia. It will not do what we desire in the way of limiting the price of the commodities of life; it will not help the Government to obtain revenue, or the people to establish and carry on their businesses more easily; but it will cut right across everything that is helpful and useful, and will build up another Department to harass and annoy the public.

Mr. BAMFORD (Herbert) [4.48].—It is desirable that every member sitting behind the Government should state his position in regard to any measure that is introduced. So far as I am aware, the Bill will pass the second reading without a division, and it is only fair that the Government, and the Minister in charge, should know exactly where their support comes from. If a division be taken, I shall vote against the second reading. It may be said that, in the past, I have been a fairly good parliamentary hack, and a good party hack, too—that I have usually followed the lead set me; but there have been occasions when I have found it necessary to vote against the Government behind which I was sitting; and this is one of those occasions. I do not oppose the Bill on the grounds which have been put forward by many of the honorable members who have spoken, but I follow, to a great extent, the line adopted by the honorable member for Brisbane (Mr. Finlayson), with whom I am somewhat in

accord. The Bill makes no attempt to provide for what the people of Australia are asking for. The people are asking us to prevent exploitation; but there is not a word in the Bill which attempts to provide against exploitation. As a matter of fact, the measure gives a licence to the exploiter. It is a wicked and immoral Bill.

Mr. POYNTON.—I would have been very thankful for that opinion when the honorable member was Minister.

Mr. BAMFORD.—The Bill was not thoroughly discussed during my term of office, and in any case, I had not studied the Bill in all its aspects at that time. I am sure that if the Treasurer would scan the measure with that moral microscope that he has put on to other measures, he would have taken it into another room and committed it to the flames. The Bill is objectionable. It favours the exploiter. The Government first says to the exploiter, "You have had a very good year. We have allowed you to do what you liked. We have permitted you to squeeze whatever profits you could out of the public," and the Treasurer then cries "halves." Then, next year, they say to him, "You have had a better year. I suppose you knew what was proposed, and I have provided for it; therefore we want a bigger 'whack' of your profits. We ask for three-fourths." The Bill should really be called a measure to encourage governmental and commercial depravity. It establishes a highly immoral principle in saying that a section of the community may exploit all other sections, and that the Government will come in later on and take a share. If we are to tax the people, let us do it in a straightforward way by increasing the income tax.

In some parts of the East, the practice of farming out taxes is pursued. An individual, or a number of individuals, go to the Government and put down a sum of money, for which they get a concession or a franchise to tax the people. Thereupon they proceed to squeeze the people to the greatest possible extent. Exactly the same principle is followed in this Bill. There is no difference.

Mr. FENTON.—Except that, in this case, the Government are doing it without having contracted to do it.

—Mr. BAMFORD.—Of course we have the option of putting the Bill where it ought to be put. In Eastern communities, the people have not that opportunity; but the people of Australia have a say in regard to legislation, and, as a representative of the people, I shall vote against this Bill. Before the advent of British or French rule in India, the native rulers, during times of plenty, filled large granaries with the grain of the country, and during times of famine, retailers bought the grain and sold it at a fixed price. If any retailer charged more than the price fixed by the rulers, he had to suffer the penalty of the bastinado. The victim of the bastinado is laid down on his stomach, and his legs are bent at the knees, and he is flogged on the soles of his feet until, possibly, he is crippled for life. That is how, what would at that time be termed, a barbarous country dealt with exploiters. I suppose the method would be too drastic to adopt here; but the commercial ghouls who have been fleecing the people of Australia should be dealt with drastically. This Bill proposes to increase the revenue to the extent of £1,000,000. We have heard the Treasurer say, "What is a million? It is too paltry to talk about."

Sir JOHN FORREST.—The honorable member should give the context of that remark, and what led up to it. In this case, he is anxious to get rid of a million.

Mr. BAMFORD.—I am merely following the lead of the right honorable gentleman, who said that £1,000,000 was not worth talking about. The Bill does not attempt to deal with the exploiter. About a year ago, I met a business man, formerly a member of this Chamber, who said that he had just met a South Brisbane merchant, who informed him that he had made a profit of £3,000 from matches alone. I wonder what that merchant has made out of matches since then? The honorable member for East Sydney (Mr. West) will, I think, bear me out in regard to this matter, that is, that a Sydney firm had a warehouse at Glebe Point stocked from floor to roof with corrugated galvanized iron. This iron was sold before the war at under £20 per ton. Immediately after the war broke out, the price increased by 30 per cent., 50 per cent., and 100 per cent., and to-day I do not know exactly what it is.

Mr. CORSER.—It is selling at £80 per ton.

Mr. BAMFORD.—That is nearly 400 per cent. It is an outrageous profit, and yet this Bill will not hurt these people. As a matter of fact, the Government have given us no indication that they will deal with such people, except by this paltry measure, which I do not hesitate to repeat is an immoral one, because it lays down the principle that a section of the community is licensed to exploit other sections to any extent whatever; and then the Treasurer is to come along and say to these exploiters, "Let us go whacks." I have no time for this Bill. The Government are taking an entirely wrong step in introducing such an immoral principle into our commercial life. I shall not speak in regard to the exemptions. They are a matter quite apart from the chief issue, namely, that the people are being exploited, and the Government are making no attempt to prevent that exploitation. I hope that the Bill will be defeated. If I had been asked what attitude I intended to take up in regard to it, I would have unhesitatingly expressed my opinion to any one authorized by the Government to ascertain the feeling of honorable members; but that step not having been taken, I take this opportunity of defining my attitude towards the measure.

Dr. MALONEY (Melbourne) [5.0].—To a great extent I agree with the honorable member who has just resumed his seat; that the Government, in taking any percentage of profits, are making themselves the accomplices of the class of people who take advantage of a country's distress to compel their fellows to pay too much for commodities. Every landlord who raises his rent is an exploiter, and should be placed in Pentridge. Recently I went to a man who was said to have the hardest heart in Melbourne. He is a man belonging to an older faith than Christianity. I approached him in regard to three terraces of houses, and pointed out the unfairness of increasing the rents. He went into the matter, and told me that he had spent a lot of money on the buildings, and that he was only anxious to earn 6 per cent. from them, which he said he intended to get. I left him with the intention of bringing the matter before the House, but I had misjudged him, because he sent for me next

day, and said that, having had time to think over what I had pointed out, he had decided that there would be no increase of rents in any of the houses controlled by him until after the war. He also said that the same rule would apply in regard to the property of a company of which he was a member. But he asked, "Why does not your Government bring in a Bill to prevent any landlord from increasing rents? Why should you have to appeal to me, as a man, for others?" I say the same. The Prime Minister, in answer to a question of mine, said that any landlord who put up his rents should be held up to public opprobrium of the severest kind, but that treatment would not hurt such men. I know of a case of a woman whose family was smashed during the land boom, and who took up the hardest employment possible for a woman, that of keeping a house for board and lodging. Her rent has been increased by 36 per cent., after she has been twenty years in the same house under various landlords, and the other day she received notice that her tenancy was to be ended at the end of the month. The action taken was afterwards regretted. I approached the agents, one of the chief house and land agents in Melbourne, and the principals told me that they were sorry the notice had been sent out, because they had it noted in their books that the lady in question was a most reputable tenant, and had been on their books for years. The Prime Minister spoke of a landlord owning property worth £500, and increasing its value to £1,000, and said that such a landlord would be justified in raising his rent. No one would object in such a case, but the class of whom I am speaking go a little further, if the opportunity presents itself.

In regard to prices, I have seen a list where a certain drug has been sold at a price which is 1,700 times more than what the article was sold for before the war. That drug, so far as my informant could state, has not been imported since the war began. Honorable members will see that an increase of 1,700 times runs to something like 170,000. If the Government took half of that profit, it would, to use the expression of the honorable member for Herbert (Mr. Bamford), be licensing the profiteer to continue

preying on his fellow-men. To take every pound and every shilling of profits over and above the average earned prior to the declaration of war would be right, and a just punishment on those who had made such profits; but it would be unworthy of the Government and of the Parliament to become co-partners with those who have made these huge profits, it being a well-known maxim that the receiver is worse than the thief. If we did such a thing, history would point at us. We are blessed by having a wide ocean between us and the scenes of the present terrible fighting, and we should not allow those in our midst who, for the love of filthy lucre, would rob even their nearest relation, to take advantage of their situation. It is stated that in the late nineties, when a war with Germany was never dreamt of, Lord Toller-mache, during a conversation, asked Gladstone whether he thought that in the event of such a war the shipping companies, if they were paid well enough, would bring enemies to England? Gladstone's answer was, "I believe that the shipping companies would, for lucre, land enemies in the port of heaven, if that were possible." We know some such companies here. I propose now to read a list of companies which have made profits during the present war. It was obtained on the suggestion of the Premier of Victoria, and shows in each instance the net profits made in the years 1914, 1915 and 1916.

MR. CORSER.—Of what use is it to state the profits earned without saying how much capital is invested?

DR. MALONEY.—I am unable to give that information now. The list to which I refer is as follows:—

Symbol for Name.	Net Profits, Including any Amounts set apart for Reserves in the Respective Years.		
	1914.	1915.	1916.
	£	£	£
1 ..	2,408	3,013	5,784
2 ..	5,680	13,569	8,581
3 ..	27,145	35,743	58,957
4 ..	7,550	10,158	10,528
5 ..	313	1,252	3,697
6 ..	8,910	12,643	20,648
7 ..	1,067	3,293	8,449
8 ..	24,547	15,470	29,140
9 ..	Nil	726	7,703
10 ..	5,076	4,302	6,311
11 ..	207,885	211,055	223,601
12 ..	2,776	3,268	4,891
13 ..	2,706	9,776	8,274
14 ..	1,118	2,492	4,430

Symbol for Name.	Net Profits, Including any Amounts set apart for Reserves in the Respective Years.			Symbol for Name.	Net Profits, Including any Amounts set apart for Reserves in the Respective Years.		
	1914.	1915.	1916.		1914.	1915.	1916.
	£	£	£		£	£	£
15 ..	Nil	Nil	1,364	80 ..	68,756	71,098	69,493
16 ..	4,646	6,578	8,454	81 ..	582	4,585	5,312
17 ..	6,297	9,688	11,271	82 ..	Nil	Nil	9,018
18 ..	3,619	2,089	4,001	83 ..	4,947	2,339	8,558
19 ..	3,933	4,107	4,410	84 ..	304,944	320,371	383,376
20 ..	6,937	5,666	14,374	85 ..	60,196	43,259	74,634
21 ..	3,111	3,667	4,260	86 ..	3,186	Nil	4,052
22 ..	13,717	16,288	31,254	87 ..	7,708	7,247	5,896
23 ..	7,431	17,097	15,915	88 ..	4,161	4,028	6,306
24 ..	3,196	8,996	8,996	89 ..	1,796	5,637	5,076
25 ..	5,475	10,453	13,099	90 ..	399	Nil	2,031
26 ..	821	1,034	9,088	91 ..	5,505	9,409	12,291
27 ..	17,808	17,287	18,659	92 ..	Nil	Nil	2,619
28 ..	11,014	10,643	10,358	93 ..	3,187	3,594	4,611
29 ..	34,647	24,212	29,221	94 ..	62,223	62,001	67,829
30 ..	58,516	76,700	107,426	95 ..	889	1,030	3,110
31 ..	3,734	4,808	8,087	96 ..	5,199	4,068	8,288
32 ..	4,051	1,591	7,441	97 ..	419	2,984	3,000
33 ..	3,656	5,594	5,661	98 ..	7,081	14,007	11,766
34 ..	37,577	46,423	58,563	99 ..	1,311	1,909	1,618
35 ..	701	2,772	5,023	100 ..	4,686	5,643	6,475
36 ..	9,665	9,403	11,025	101 ..	7,189	6,762	7,937
37 ..	2,220	2,612	3,469	102 ..	8,169	1,945	6,174
38 ..	9,954	7,898	9,786	103 ..	12,014	11,086	13,034
39 ..	986	6,671	5,613	104 ..	1,965	922	3,204
40 ..	87,782	112,838	188,644	105 ..	Nil	8,690	19,030
41 ..	42,655	48,223	53,640	106 ..	59,818	67,096	64,284
42 ..	Nil	Nil	1,920	107 ..	7,238	27,185	51,744
43 ..	30,744	70,167	81,418	108 ..	28,501	6,692	71,575
44 ..	Nil	Nil	5,816	109 ..	65,121	69,828	86,748
45 ..	36,612	32,609	46,188	110 ..	7,532	10,420	16,607
46 ..	153,540	172,979	124,409	111 ..	Nil	876	2,205
47 ..	19,359	19,357	25,893	112 ..	5,466	5,048	5,561
48 ..	21,327	17,041	34,221	113 ..	3,465	4,616	5,396
49 ..	Nil	Nil	1,263	114 ..	2,055	2,527	3,994
50 ..	Nil	1,136	3,850	115 ..	Nil	Nil	1,280
51 ..	1,453	Nil	2,199	116 ..	4,031	4,313	4,129
52 ..	2,087	2,174	2,652	117 ..	6,960	7,746	15,677
53 ..	Nil	Nil	2,931	118 ..	57,144	79,128	119,548
54 ..	4,065	4,907	5,769	119 ..	1,151	2,331	7,153
55 ..	22,233	22,434	24,225	120 ..	2,875	11,500	8,111
56 ..	5,035	4,401	10,604	121 ..	7,574	7,233	7,233
57 ..	171	1,648	4,536	122 ..	785	1,485	2,670
58 ..	Nil	Nil	1,204	123 ..	1,148	3,446	13,249
59 ..	Nil	Nil	3,627	124 ..	4,598	11,497	9,153
60 ..	8,749	9,244	8,641	125 ..	39,712	49,277	29,918
61 ..	9,014	16,686	21,190	126 ..	2,800	3,233	5,137
62 ..	3,257	10,762	10,795	127 ..	11,664	5,312	12,604
63 ..	11,776	10,890	11,802	128 ..	1,279	1,473	3,320
64 ..	12,844	16,670	14,226	129 ..	811	1,070	5,220
65 ..	12,950	13,533	16,018	130 ..	7,615	15,368	28,049
66 ..	6,765	9,889	13,516	131 ..	12,000	12,000	12,000
67 ..	9,843	10,375	12,180	132 ..	7,163	8,781	19,912
68 ..	2,483	8,272	5,925	133 ..	6,288	7,850	9,634
69 ..	1,378	2,318	2,932	134 ..	3,791	3,967	7,716
70 ..	9,678	12,797	15,141	135 ..	3,775	1,858	9,717
71 ..	29,564	31,854	35,649	136 ..	5,769	7,663	5,901
72 ..	6,507	6,371	12,538	137 ..	21,903	22,772	32,620
73 ..	30,989	33,802	39,556	138 ..	15,735	13,184	21,237
74 ..	6,051	4,327	8,807	139 ..	1,892	11,457	6,585
75 ..	6,588	7,675	8,780	140 ..	1,977	1,702	2,979
76 ..	1,873	1,119	3,347	141 ..	1,170	8,949	8,456
77 ..	448	333	2,149	142 ..	Nil	5,066	6,668
78 ..	6,595	4,030	9,510	143 ..	4,313	4,395	5,983
79 ..	Nil	2,087	2,696	144 ..	1,359	1,297	2,313

Symbol for Name.	Net Profits, Including any Amounts set apart for Reserves in the Respective Years.			Symbol for Name.	Net Profits, Including any Amounts set apart for Reserves in the Respective Years.		
	1914.	1915.	1916.		1914.	1915.	1916.
	£	£	£		£	£	£
145 ..	4,064	4,026	5,243	210 ..	959	1,375	2,347
146 ..	20,474	29,642	18,850	211 ..	8,013	10,114	19,558
147 ..	236	1,427	9,444	212 ..	242,458	232,681	235,388
148 ..	860	Nil	2,070	213 ..	7,222	31,119	51,493
149 ..	Nil	Nil	1,020	214 ..	66,067	106,064	96,389
150 ..	9,180	9,004	9,295	215 ..	17,876	24,567	46,831
151 ..	8,588	9,110	9,253	216 ..	30,183	8,721	16,630
152 ..	8,940	3,894	9,893	217 ..	11,061	30,589	31,765
153 ..	6,103	4,303	7,317	218 ..	13,052	18,525	22,242
154 ..	6,900	9,554	10,472	219 ..	5,137	Nil	25,744
155 ..	7,561	7,873	11,624	220 ..	14,079	15,102	13,422
156 ..	1,626	4,665	3,656	221 ..	40,984	38,180	47,302
157 ..	Nil	Nil	2,029	222 ..	4,505	8,130	20,022
158 ..	Nil	1	2,527	223 ..	3,559	17,876	18,043
159 ..	2,086	2,017	2,947	224 ..	13,770	15,025	14,163
160 ..	213,107	230,570	230,227	225 ..	82,137	48,000	38,364
161 ..	899	2,334	4,630	226 ..	26,636	26,493	21,998
162 ..	1,630	1,665	2,741	227 ..	103,987	100,764	105,331
163 ..	1,291	1,484	2,901	228 ..	16,027	14,700	5,658
164 ..	3,064	3,137	3,425	229 ..	5,554	5,480	5,456
165 ..	20,235	12,708	9,366	230 ..	4,027	5,454	6,695
166 ..	307	1,455	4,588	231 ..	8,505	8,350	22,515
167 ..	12,117	6,927	11,322	232 ..	5,040	5,071	6,516
168 ..	1,739	3,855	5,425	233 ..	1,104	3,917	4,658
169 ..	Nil	487	2,439	234 ..	4,475	4,063	4,894
170 ..	15,679	10,026	11,645	235 ..	2,773	5,116	9,817
171 ..	5,765	6,657	6,657	236 ..	11,837	12,328	9,707
172 ..	6,920	6,534	14,964	237 ..	8,353	7,461	6,800
173 ..	9,797	12,711	13,370	238 ..	7,375	7,885	9,345
174 ..	5,420	7,431	8,785	239 ..	19,358	16,303	18,805
175 ..	6,226	6,786	5,175	240 ..	2,989	3,427	10,156
176 ..	6,244	2,303	7,301	241 ..	25,982	26,890	26,041
177 ..	3,348	2,771	5,716	242 ..	10,453	16,214	9,776
178 ..	2,595	3,279	5,649	243 ..	5,995	4,915	5,265
179 ..	2,823	5,592	6,772	244 ..	5,277	5,838	6,644
180 ..	3,354	3,394	3,470	245 ..	23,124	10,206	8,208
181 ..	5,017	5,530	7,796	246 ..	3,799	6,309	8,926
182 ..	2,087	7,480	20,984	247 ..	14,890	7,920	9,008
183 ..	Nil	8,798	3,340	248 ..	5,068	6,235	8,296
184 ..	38,155	26,797	32,809	249 ..	4,782	4,969	4,788
185 ..	29,212	38,436	32,452	250 ..	1,968	2,467	3,545
186 ..	6,416	8,608	10,377	251 ..	2,785	2,340	5,770
187 ..	Nil	10,123	10,173	252 ..	4,521	4,584	4,334
188 ..	100,341	95,275	139,978	253 ..	3,239	1,597	4,766
189 ..	40,046	36,831	45,775	254 ..	1,419	2,181	3,764
190 ..	4,634	14,709	8,447	255 ..	1,766	1,280	5,728
191 ..	12,405	12,545	12,682	256 ..	1,495	2,218	3,362
192 ..	54,246	54,470	60,775	257 ..	9,315	12,230	28,118
193 ..	12,542	4,266	4,424	258 ..	1,723	718	3,328
194 ..	72	882	5,239	259 ..	2,523	2,672	3,596
195 ..	4,075	6,931	7,184	260 ..	2,176	2,078	3,078
196 ..	28,257	32,369	81,139	261 ..	Nil	Nil	2,990
197 ..	20,151	26,704	37,258	262 ..	Nil	4,896	20,966
198 ..	2,039	7,480	26,031	263 ..	3,737	4,213	5,577
199 ..	6,012	7,867	8,537	264 ..	Nil	Nil	4,049
200 ..	39,360	47,431	39,310	265 ..	2,128	3,357	4,777
201 ..	4,194	3,881	5,202				
202 ..	12,951	14,316	14,949	Total 265	£3,958,885	£4,371,773	£5,479,895
203 ..	7,562	5,859	10,178			3,958,885	3,958,885
204 ..	3,996	7,129	6,102				
205 ..	22,425	16,277	10,018			£412,888	£1,521,010
206 ..	9,137	18,190	20,797				412,888
207 ..	4,474	4,081	4,633				
208 ..	7,206	2,065	5,764		Two years ..	..	£1,933,998
209 ..	7,130	5,354	7,248				

The facts mentioned by the honorable member for Herbert (Mr. Bamford) with reference to the increase in the price of iron are so well known that the Government should certainly take every penny of the increase. If the seller knew that he could only make the fair profit that he made during the three years preceding the war he would then have no incentive to sell at an enhanced price, and take advantage of the needs of his fellow men. Farmers could not buy galvanized iron with which to shelter their wheat, and as a result millions of bushels of grain have been ruined. The statement as to iron not being imported, or imported only to a limited extent, can easily be verified by reference to the Customs House. Let a fair profit be allowed on imported iron, but why do not the Government start works for the manufacture of galvanized iron? They may be able to get from the steel and iron works of the Broken Hill Proprietary black iron that could be galvanized. The suggestion made by the honorable member for Flinders that this Bill should be altered from a war-time profits tax to a war profits tax was made, I am afraid, not with the object of benefiting the Treasury. Such an alteration would increase the difficulties of collecting the tax, and I compliment the Treasurer on having refused the suggestion. War-time profits clearly mean profits made during war time, but profits made from the war would be very difficult to discover. It would be contrary to logic to change the name of the measure.

I still advocate the fixation of prices for the principal commodities. Last year I suggested to the Government that they should display outside every post-office in the Commonwealth a list of the prices that should be charged for wheat, bread over the counter, sugar, and meat. Every caller at the office would see at a glance the price which he or she should pay for those commodities. The notice should also show the name of the officer to whom a citizen should write if charged more than the fixed price. The answer I received from the Minister of the day was that the *Commonwealth Gazette* was hung at the post-office, but any person who tried to discover the locality prices of commodities from the *Gazette* would be very puzzled. I also suggested that all shopkeepers and purveyors of goods should be obliged to display in a position where it could readily be seen by any cus-

tomers a list of the prices fixed by the Government. The adoption of these proposals would prevent a lot of trouble and annoyance. Mr. H. L. Wilkinson, M.C.E., Melbourne University, A.M. Inst. C.E., London, who won the Harbison-Higginbotham Scholarship for a thesis on Economics, is responsible for the first publication of any standard merit in regard to the Trust problem in Australia. That book shows that, in 1907, when flour was sold at £9 5s. per ton, bread was from 5½d. to 6d. per 4-lb. loaf. In 1909, when £11 10s. was charged for flour, bread was still from 5½d. to 6d. per loaf. Flour is now £10 15s. per ton, that is 15s. less than it was in 1909, and bread to-day is sold at 7d. To show how the public are exploited, I may mention that, in 1911, when flour was only £8 per ton, the price of bread was kept up to 5½d. and 6d. I recognise that the making of large profits is a stimulus to private enterprise, and that no Treasurer would wish to destroy that stimulus. At the same time it seems to me that this proposed tax does not go even so far as the war profits tax in Great Britain. As reasoning men we have only to ask ourselves:—Would not the manufacturers and sellers of goods in poor unfortunate Belgium be satisfied to keep their business without making a loss, let alone making abnormal profits. The same question could be asked of the people of Servia, Roumania, Montenegro, and of the invaded portion of France, the people of which are fighting for their lives at the present time. In the Homeland, too, apart from the ghouls and vampires who are battenning on the English people, how many of those people who have been ruined, would have been content to retain their businesses without making profits? Yet the Treasurer proposes to tax war-time profits only to the extent of £1,000,000 in two years. It seems to me that somebody is seeking to control the Government, and unless the Treasurer wisely agrees to an alteration of this tax the Government will in future have the reputation of having invited men in our midst to batten on the community and thin the faces of the poor. Ask any mother who controls the household how she is managing in the face of these increased prices. Ask any father who has to struggle to keep a home for himself and his dependants. One man in Collins-street told me that whereas formerly he used to allow £20 a week for his house-

hold expenses, not including rent, as the house was freehold, he has now to allow £32 per week. Some may say that that statement is an exaggeration, but from the figures shown me I can assert that that house was not expensively conducted in comparison with the homes of men and women in the same social position. I ask the Government to act boldly, and to fix prices at which bread, meat, and sugar should be sold, making it a criminal offence to sell in excess of those prices. If the stocks of iron referred to by the honorable member for Herbert (Mr. Bamford) exist, let the Government seize them and sell the iron at a fair value, at which the owners would have been content to sell them before the outbreak of war. I was struck with some words which Demosthenes uttered at a time of war when cries for peace were echoing throughout the community, and some were calling for peace at any price. He said:—

I know well that anything given up in passing from war to peace is lost to the careless side; since, when people generally have once made up their minds for peace, they will not renew the war for the sake of what has been sacrificed; this, therefore, remains in possession of the holders.

I ask the Government not to be careless in this matter, but to be firm and determined in claiming a larger share of war profits than this Bill proposes to take. I assure the Treasurer that if business people know that their extravagant profits would be taken from them they would no longer have the same incentive to exploit the people. Did I not expose in this Parliament how Angliss, on more than one occasion, supplied diseased meat to the unfortunate sailors and soldiers on the transports? I have not been yet able to discover from which abattoirs the diseased meat came. The municipality of Melbourne denies that the meat was ever in its abattoirs. I know that Angliss has private abattoirs. I am told that when I speak publicly, my words are reported, but I say everywhere what I am saying here. I cannot say that Angliss wilfully supplied diseased meat, but it was supplied several times in large quantities. On one occasion the quantity was 1,000 lb. of bullocks' liver, not all, but a certain percentage of which was diseased. It was a Commonwealth officer who prevented those livers from going into consumption on board the transports. If Angliss, or his foreman, knew that those

livers were diseased, then he should have been strung up; hanging, indeed, would have been too good for him. This man Angliss is making vast profits. His name is included in the list from which I quoted a few moments ago. He has had the cool cheek to refrain from taking steps to clear the abattoirs on which suspicion has been cast. The Minister for the Navy has not yet informed the House from what abattoirs those livers were taken, but, thanks to the action of his predecessor in office, the honorable member for Bass (Mr. Jensen), no more livers are allowed to be put on board transports. We are entitled to ask what was the position of the public in regard to that diseased meat. Who was to examine it for their protection? Who was responsible for its leaving the abattoirs as it did? And this is the type of men who are battenning upon the people and raising prices.

All history goes to show that every great revolt or revolution has been preceded by a period of great unrest. Would any one be astonished to read in to-morrow morning's newspapers that the King of Spain had been shot; and that Spain had declared for a Republic? There is a spirit of unrest throughout the world. Efforts are being made by men who perhaps are idealists to make the world better, and to uplift humanity generally. Such efforts are being made, not only in Russia, but in Germany, although in the last-named country they are being controlled by terrible Prussian discipline. I hope, as we all do, that the Prussian military power, with all its evil consequences, will be utterly destroyed. Not only in Russia and Germany, but in England to-day—where only one out of every three men has a vote—reforms are being demanded. I hope that this Government will not let the idea get abroad that they are indifferent to the increases in the prices of foods that are taking place. The increase in the cost of living is of the greatest moment to every little home in Australia, and of the utmost significance to those who look at the signs of the times. Great generals have said that an army moves on its stomach, and I hold that that nation which is best fed and best housed will, other things being equal, do most for the civilization of the world.

I wish now to refer to the position of proprietary companies under this Bill. At the outset I would congratulate the Government on the provisions of sub-clause 7 of clause 14, which deals with

such companies. A proprietary company, under the Victorian law, may consist of only two or as many as fifty persons. Such companies, I understand, are not compelled to publish balance-sheets, but the Commissioner of Taxation can require them to supply him with them. I am confident that the Commissioner and his staff will scrutinize very carefully all increases in the salaries of the officers of such enterprises. Sub-clause 7 reads—

Provided that in the case of a business which has been established since the commencement of the present state of war, (a) if the business is owned by a company, the total deduction allowed for the remuneration of directors shall not, unless the Commissioner otherwise directs, exceed the sum of £1,000.

That means, I take it, that the directors of a company, no matter how successful it may be, shall not receive fees exceeding a total of £1,000. Legal minds, however, can discover technicalities and loopholes whereby the State is often deprived of its rights. Let us suppose that A, B, C, and D form a proprietary company. In order to evade this provision, would it not be possible for A to put his name in the salary list as that of manager, receiving so much per annum; for B to set out that he was receiving so much per annum as accountant; and for C to put himself down as inspector of works; and D to describe himself as chief clerk, with certain salaries allotted to each position? In that way they might be able to drive the proverbial coach and four through this clause, increasing their salaries, and thus reducing the amount of profits taxable under the Bill.

I will not definitely state that I shall vote against the Bill. I am deeply disappointed, however, with its provisions, and particularly with its exemptions, which are many and far-reaching. Why, for instance, should medical men be exempt? Owing to the many wounded soldiers returning to Australia, and needing medical assistance, the incomes of medical men may be materially increased. Sir Anderson Stuart, who occupies a very high position, stated recently that there were in Australia medical men who were earning from £10,000 to £15,000 a year. Such incomes include profits which surely ought to be taxed. Every medical man to whom I have spoken on the subject has said that the medical profession ought not to be exempt. Shopkeepers and others with whom I have conversed say that no one should be exempt. If one were to

throw an apple over to the Government side of the House, as a rule, one would hit at least three lawyers, and I should like to know why the legal profession should escape this taxation. It is certainly unjust that they should be exempt. If in Committee an amendment is moved to eliminate all exemptions, I shall have pleasure in voting for it. My only regret is that the people themselves cannot determine this question. If the men and women of Australia could vote upon it, their verdict, I am sure, would be that there should be no exemptions. They would say, "Let every profit made during this accursed war over and above the average profits of the two preceding years be taken by the Treasury." And the Government would earn honour by adopting that decision.

Some time ago, when the Barrier mines threatened to close down, I brought before Mr. Andrew Fisher, who was then Prime Minister, a proposal which I thought would save Broken Hill. The Barrier, as we all know, depends upon the output of its mines. If there were no mines there, there would be no Broken Hill to-day. Shortly after the outbreak of war I addressed a letter on the subject to the editor of the *Age*, and it was published on its war page. In that letter I advocated, as I do to-day, that the Commonwealth Government should take over all metals at the price at which they were being sold in England before the declaration of war. I pointed out that in consideration of the Government taking their output at the pre-war prices, the Broken Hill companies should be compelled to work full time. In that way Broken Hill would be saved. If the companies refused this offer, I suggested that the Government of New South Wales, by the law of eminent domain, should take over the mines and carry them on at the risk of the shareholders. Subsequently the Broken Hill Proprietary Company asked me to give them an interview. I gladly acquiesced, and Mr. Baillieu at that interview empowered me to make to Mr. Fisher an offer on behalf of the company to give the Government all metals at 30 per cent. less than the selling price. Silver was then 2s. per oz., so that the Government could have purchased the silver output of the company at 1s. 4 4-5d. per oz. Every ounce of silver coined will give a return of 5s. 6d. in silver currency. The Government

would thus have made a profit of 290 per cent. in respect of every ounce of silver minted. I pointed out to Mr. Fisher that he could hand over to the company £1,000,000 in Australian notes, and in return obtain silver, won by Australian miners from Australian soil, which would give him a silver currency of over £2,900,000. I showed him how in that way he could purchase every good silver mine in Australia at the current market prices. The offer made by the Broken Hill Mining Company was a splendid one, but Mr. Fisher would not accept it. To-day the company is getting 3s. an ounce and over for its silver, or a very high percentage in excess of the amount it was willing to take from the Commonwealth Government. The increase also applies to their zinc, lead, and concentrates. I would urge the present Treasurer to fix the prices of these metals, allowing, of course, a fair profit to the companies.

Then again, I would urge the Government to fix the price of wheat. No one has more sympathy with the farmer than I have. There is no member of this House who went on the land before I did. Forty-five years ago I pegged out a block in Gippsland, the most heavily timbered part of Victoria, if not of Australia. The only returns I got from it were a fair-sized chest and good health, for which I am grateful. While there I was like a man in prison. The circumstances were such that I was helpless and hopeless. Is it not reasonable, therefore, that I should have every sympathy for the farmer? I would urge the Government to fix the price of wheat, and to fix it at such a rate as will give the farmer a good profit. No one in this House will deny that the farmer is worthy of a fair return for his labour. In China the farmer ranks practically next to the Emperor, and one of the first duties of the Emperor was to plough a furrow in order to show how high the farmer ranked in the esteem of the whole community. My desire is that the farmer in Australia shall be equally respected. The price of wheat at the station to-day is, I believe, 4s. 3d. Let us fix it at 4s. 6d. per bushel. Three thousand lbs. of wheat will make 2,000 lbs. of flour, and 2,000 lbs. of flour will make 2,600 lbs. of bread, the flour, taking up 600 lb. of water which is sold in the shape of bread. We could fix the prices for flour and bread so as

Dr. Maloney.

to allow a fair profit. Page, of Elsternwick, when fighting the combine of millers, was able to sell his bread at 1d. per loaf less than did other bakers who were controlled by the combine. It is no use contending that there are no combines here; and it ought not to be said of this Parliament or Government that they are the friends of combines, trusts, and syndicates. On the other hand, the Government ought to go down to posterity with honour; and their only way is to prevent any undue rising in the cost of food, rent, and clothing. That cannot be brought about by means of this Bill, though if the Bill be only a commencement, I wish them good luck, and will vote for any clause that tends to its improvement. I shall not, however, vote for the percentages proposed in this measure. The figures of Sir Alexander Peacock, who has had, perhaps, as much experience as has the Treasurer of the Commonwealth, show very clearly what profits have been made; and why should we allow these enemies within the gates, who are really more despicable than those with whom we are in open combat? In another day these people would have been put up against a wall and shot, or hanged. Napoleon, with that magnificent intellect of his, saw that there was a possibility of trusts and combines ruling the world; and his criminal code provided that any man, or body of men, who bought goods for the purpose of selling them at an undue profit, should be fined 20,000 francs and imprisoned for twelve months. There was no alternative but fine and imprisonment, so that the rich man could not escape; and if the offence were committed in regard to foods, such as flour, bread, or wine, the fine and the imprisonment were doubled. What would Napoleon have done to such men and firms as appear in the list I have read? For a man who, either himself, or through his manager or foreman, sells diseased food for profit, there is, to use the words of the Minister for the Navy, no punishment too heavy.

Mr. HEITMANN.—And that should apply at all times.

Dr. MALONEY.—Absolutely; and I think that if a vote were taken I should not find a single honorable member against the suggestion I have made.

We do not know how this war will end. I am doing my best for voluntarism; and I am proud of what Australia has done.

No country in history has done so much; and it is the duty of the Government, in ruling for the benefit of the whole of the people, to see that these undue prices are not charged. As the honorable member for Herbert (Mr. Bamford) has asked, what is the use of letting traders charge these high prices, and then fining them, perhaps, half the profits? I would prefer to see very little garnered under this Bill, if a proper list of prices were prepared and published. It may be thought that I am unduly harping on this question; but it is the question of the hour. Give the people outside food, shelter, and clothing, and we shall have a happy community, but place obstacles in their way and we shall have misery, unrest, revolution, and disaster. If Queensland can, by management, cause meat to be sold at half the price paid elsewhere, there is something wrong generally; and the Commonwealth Government, who can make all the other State Governments subservient, ought to ascertain how this is done, and do it. If, as I hope, the list I have read of the profits made, appears in *Hansard*, the people outside will realize that more should be done than is proposed by the Bill, and I shall support the Government to that end.

Mr. MACKAY (Lilley) [5.58].—The Bill proposes to tax profits made during the war, and not only profits made out of the war. The honorable member for Kooyong (Sir Robert Best) mentioned that this legislation had been withdrawn in New Zealand; and I presume the Government have made some inquiries as to the reason for its failure there. However, there is the best reason in the world why the Government should honour the promise recently made to the electors. Much attention has been drawn to excess profits made during the war; and the honorable member for Melbourne (Dr. Maloney) is inclined to think that these have been made in a manner that does not do credit to the business people of Australia. But, to a great extent, the cause of these high prices is more in the distribution than in any extra charges made by people in business. If the trade unions will drop their cry for nationalization, and use their organizations and money in forming co-operative stores, much of the trouble about high prices would disappear; and I make that suggestion to those bodies, which, by adopting it, would be able to buy direct from

the farmers, and supply their own members. It is very necessary that legislation of that kind should be introduced, if only for the purpose of meeting the charge that the Government are not willing to make wealth bear its fair share of taxation. The Treasurer has said that much will be required for repatriation purposes; and I believe the Government have made an honest attempt to raise part of the money in this way.

I do not regard this Bill as being complete from any point of view, but accept it simply as an instalment, to be followed by something in the way of an addition to the income tax. It is perfectly clear that the measure cannot deal with every known cause of excess profits. In many instances high profits made during the war have been made possible simply owing to the fact that, as in the case of shipping, there has been an unusual demand. The members of the Opposition should recognise that high prices ruled during the term of the Labour Government, and that they had just as good an opportunity as have the present Government of dealing with the matter. I consider that every man who has made excess profits during the war ought to be taxed pretty freely; and I regard the provisions of the Bill as generous. A man who has had the good fortune to maintain his pre-war profits is to be envied when we consider the unfortunate people on the other side of the world. Companies which are allowed 10 per cent. are very generously treated, and I think that the provision referring to the exemption of £200 should be deleted.

The Bill should serve one of two purposes. If the Treasurer has made an under-estimate of the revenue to be derived, we shall all welcome the addition; and if, on the other hand, there has been an over-estimate, it will convince the people of Australia that the term "profiteers" cannot well be applied to the business people of Australia. During the election, our opponents were constantly saying that huge profits were being made out of food and other commodities; and the Bill will serve to put the true facts before them.

Mr. FENTON.—Your own leader has said that.

Mr. MACKAY.—My leader, apparently, now sees things through different spectacles from those he looked through when

on the other side; and the same applies to honorable members on the other side now. They offer criticism of this and other measures introduced, but when they were behind the Labour Government things appeared quite in a different light. That, however, may be part of the game of politics. Seeing that such a song was being made of the profits raised in war time; I think it was up to the Labour Government, when they had the opportunity, to do something.

The honorable member for Melbourne (Dr. Maloney) read out a long string of figures which he regarded as showing excess profits; but these figures really conveyed no intelligent idea to the House as to where the profits came from. If excess profits have been made to such an extent, then, apparently, the Treasurer's estimate is going to be considerably exceeded; and I do not think there is one of us who would regret to see huge sums rolling into the Treasury as a result of the tax.

The exemptions proposed under the Bill are to some extent justified. I allude particularly to the case of fruit-growers and dairymen, who suffered much from the dry years 1912-15. Dairymen, as a rule, are men of small capital, who have to work very hard, and frequently find their herds depleted in years of drought. In any case, I do not think dairymen would be likely to come under the Bill; but, considering that it is the policy of the Government, and in the interests of the country, to promote primary industries, it is right that they should be exempted. Then, again, gold-mining has played a very important part in the history and development of the country. In nine cases out of ten, a man who invests in gold-mining does not make a "pile"; and he has only to stick to it long enough to find that his calls exceed the dividends. A gold-mining company may have a series of non-paying years, and it would be unfair, under all the circumstances, to take a slice of the profits made in any particular year. The price of coal, copper, and other minerals has risen considerably during the war, and we could reasonably expect the companies who have secured these profits to pay some share of them. I do not agree with the exemption of professional men, such as doctors and lawyers. They can well afford to pay the taxation proposed in the Bill, and I hope that the measure will be altered in Com-

Mr. Mackay.

mittee in that regard. It is not my purpose to say much about the Bill, but I really thought that it was time some one rose to say a good word for it. I regard it as an honest attempt on the part of the Government to reach that class of people which honorable members have condemned very roundly for a considerable time past. Even if the Treasurer's estimate is not exceeded, it will be a very handsome addition to the revenue. On the other hand, if his estimate is exceeded, the revenue will benefit accordingly. I hope that honorable members will do their best to improve the Bill in Committee. I feel that the National Government are national in their policy as well as in name, and I believe that they will be willing to accept any amendments that are likely to improve the machinery of the Bill, and make it work more satisfactorily.

Mr. MATHEWS (Melbourne Ports) [6.9].—My present intention is to vote against the Bill, lock, stock, and barrel, not because I do not desire to see the exploiters made to pay for their exploitations, but because I do not think the Government have any intention to tax war-time profits in this Bill. Much has been said as to the distinction between war and war-time profits. Of course, they can be separated very easily. A profit which is made in an ordinary business during war, but which is not brought about by the war, is not a war profit. A profit which is brought about immediately as the result of the war is a war profit. What influences people mostly, not only those who support honorable members sitting on this side, is the fact that, while a large percentage of the community, men of business and men who have invested money in different lines, have lost heavily during the war—there is not an honorable member in this House but can place his fingers on dozens of cases of business men upon whom the war has had the effect of injuring their businesses—those who have made money during the war are allowed to make profits by exploiting others. The people who realize this must reflect and say that the Government are acting not in the interests of the people, but in the interests of a section of the community. If the Government really meant business they would set out to tax war profits to the fullest extent, not from a spiteful point of view, and not merely for the purpose of getting revenue, but with the object of

preventing people from making profits during the war. The revenue that is likely to accrue from this form of taxation is nothing in comparison with attaining that object.

The unrest prevailing in Australia, in Great Britain, on the Continent, and in America does not arise so much from the fact that the people are against war as it does from the fact that they feel that, while they are suffering and their kith and kin dying, some people are making money out of the war. It is not very pleasing for a man to know that while he is endeavouring to get his wages raised and to have his conditions of work improved, Parliament proposes to allow people to put up their prices so that, no matter how high his wages are raised, he is in exactly the same position as before. If a man's wages were to be raised from 8s. a day even to £8 per day, and the exploiter to go on as he has been doing during the last three or four years, it would be useless to increase his wages even to that extent. The majority of the electors in my electorate do not earn more than £3 per week. How can a man, in the present state of affairs, support himself, his wife, and three children on £3 per week, even if he gets that wage all the year round? The majority do not earn it each week all the year round.

I am not in the habit of quoting figures, and I do not desire to quote those of Mr. Knibbs. They are the best he can give, and they generally come to hand too late to be of service, but I do not think that I would accept them as a guide. All I know is that every commodity has increased in price. Naturally, rents have gone up. A great deal has been said about bread. I admit that bread is cheaper here than in any other part of the world; but in no other part of the world would bread be so dear as it is here if there was as much wheat available as we have in Australia. The people would not tolerate it.

Mr. LAIRD SMITH.—What does the honorable member consider should be the selling price for wheat?

Mr. MATHEWS.—I am quite aware that the man who grows wheat is just like the man who works on the wharf or makes a pair of boots. He is a workman, and should be paid for his work.

Mr. LAIRD SMITH.—He is nothing but a white slave.

Mr. MATHEWS.—We have all had the opportunity of observing men working at growing wheat. That is not what I am talking about. I am pointing out that there is a superabundance of cereal production in Australia, and that the price of bread is at a figure which would not rule in any other country if there was the same quantity of wheat available there. I admit that the man who grows the wheat must be just as much considered as the man who makes a pair of boots, but I do not propose to be drawn into a decision as to the relative position of the two, though I say that I would rather be a farmer than make boots.

Mr. PALMER.—If the honorable member talks like that he knows very little about farming.

Mr. MATHEWS.—And the honorable member knows very little about boot making. I would like to take him to some boot, or snob, shops in Victoria. From the point of view of comfortable living, the farmer's occupation is the more healthy and the more desirable. It is unfair and unmanly for honorable members—and the honorable member for Echuca (Mr. Palmer) is one—to try to make one section of the people believe that they are worse off than another by saying that one trade is more injurious to wealth than another. Whatever occupation a man follows, he has certain rights which should be given to him.

I was saying that it was a marvel how a man, with a wife and three children, could live on £3 per week, and I was dealing with the price of bread, but, to my mind, the greatest commodity in regard to which the people in Australia are being robbed is meat in all its forms, whether it be fish, flesh, or fowl. In fact, it is a marvel to me how people can buy it. I have seen meat marked in butchers' shops at 8d. and 10d. per lb., but I am assured that meat at this price is tough and tasteless, and is not edible. If a person is anxious to buy any meat at all edible, especially beef, he must pay between 1s. 3d. and 1s. 5d. per lb. If an ox costs £26 or £27, one would naturally say that beef must be dear, but by the time the beef gets to the consumer the £26 or £27 is increased by 120 or 130 per cent. Other articles of consumption, rice, sago, and tapioca, cost a great deal more than before the war. Even oatmeal, of which we have plenty in Australia, has increased in price. I do not know whether any one put in a stock of clothing,

socks, and boots before the war, but if he did he was lucky. The cost of many of these articles has gone up 60 per cent. and 70 per cent.

Let us approach the consideration of this subject dispassionately, if we can, and try to place ourselves in the position of a man, with a wife and family dependent upon him, who is earning only £3 a week. There are some persons who will say that such a man should not expect to have carpets on his floor, or curtains before his windows, or a cloth on his table, and butter with his meals. Not many honorable members of this House would say that. There is one present who might, and, perhaps, one or two of those who are away would do so. Many, however, would say that the wage-earner has no right to go to picture shows. Now, while many business people are losing money, and the wage-earner is in a very difficult position, there are individuals and firms making great profits. According to information supplied to the Victorian Parliament by the Premier of this State, the profits earned by 265 firms in Victoria last year exceeded the profits made by them in the first years of the war by some £3,800,000.

Mr. GREENE.—We are going to put on a thundering big tax.

Mr. MATHEWS.—There is only one way of satisfying the people in this matter. Those who are in what was my own line of business before I entered Parliament have suffered considerably during the war. Their best customers have gone to the war, leaving behind those who do not care much about their personal appearance. It hurts them to see others make war profits big enough to pay for motor cars and villas.

Mr. BAMFORD.—Does the honorable member think that the Bill will get at those who have made unfair profits?

Mr. MATHEWS.—No; and it is not intended to do so, though I believe it will bring in twice as much revenue as the Treasurer estimates. In my opinion, the Government should take every cent of profit over a normal amount. That would prevent the unfair raising of prices. If the Government takes 50 per cent. of the excess profits above 10 per cent., or even 80 per cent. of them, there will still be an incentive to raise prices; the only panacea for exploitation at the present time is for the Government to take all profits above a certain percentage.

Sir JOHN FORREST.—That would destroy all energy and enterprise.

Mr. MATHEWS.—I would not allow even a £200 exemption. To my mind, it is enough to exempt 10 per cent. of the net profits of the business after managerial and other expenses have been deducted. A man should be very well pleased at making so much profit as that, especially at a time when millions of men are dying at the Front to enable him to do it. The trouble that exists in Sydney and Melbourne, and in Russia, America, and Great Britain, is due to the knowledge of the workers that they have been exploited, and that no Government has really tried to prevent this exploitation. Lloyd George has only trifled with the subject.

Sir JOHN FORREST.—The taxation in England has increased five-fold since the war.

Mr. MATHEWS.—The Treasurer stated the other day that, although Mr. Bonar Law had said that capital which he had invested in the shipping business had returned him an enormous profit during the war, he had lost money. No doubt that is so. But there are thousands who are making money out of the war. No doubt the Treasurer regrets that as much as I do, but why does he not attempt to prevent it?

Sir JOHN FORREST.—The Bill has been introduced to prevent it.

Mr. MATHEWS.—The Bill does not touch the fringe of the subject.

Sir JOHN FORREST.—There is an income tax in addition to this War-time Profits Tax.

Mr. MATHEWS.—The Treasurer is allowing people to retain more than fair profits.

Sitting suspended from 6.30 to 7.45 p.m.

Mr. MATHEWS.—I was saying that there was justifiable indignation because of the fact that, whilst some people are making money out of the war, others are suffering hardships.

Dr. MALONEY.—I think we should have a quorum. [*Quorum formed.*]

Mr. MATHEWS.—The Government say that they desire to do a fair thing, but they are evidently determined to use all the methods, military and otherwise, to suppress any demonstration that is made against the present state of affairs.

Mr. BOYD.—Rebellion!

Mr. MATHEWS.—I know whose the fault will be if rebellion does come about.

Mr. SPEAKER.—Order! The honorable member is straying from the question before the Chair.

Mr. MATHEWS.—My opinion is that the present disturbance is caused by the fact that all necessary commodities are at such high prices that people cannot live on the wages they receive to-day. But not only are the Government determined to allow to escape the men who have actually robbed the people, but they are throwing other men out of work. I suppose I shall be told as usual that the men leave their work. Of course they do. All through the ages the workers have had to leave their employment in the hope of getting better pay afterwards.

Mr. CORSER.—The honorable member does not say that the workers have struck for more pay.

Mr. MATHEWS.—The honorable member knows that any effort made to interfere with the conditions of the workers is likely to be injurious to them.

Mr. SPEAKER.—Order! The honorable member is not now discussing the Bill.

Mr. MATHEWS.—The question of taxation, especially as it applies to war-time profits, is so closely connected with the present industrial disturbance that I cannot dissociate the two things. I wish to show that we could settle almost the whole of the turmoil by effectively taxing excess profits. If people were not allowed to keep those profits they would not endeavour to make them.

Sir WILLIAM IRVINE.—What is your objection to the Bill?

Mr. MATHEWS.—It does not go far enough. Profiteers are to be allowed a profit of 10 per cent., and of all profits above that margin they are to pay an increasing percentage to the Treasurer. That is an inducement to exploit the people, and to still further raise prices. I am showing that, whilst the Government refuse to tax these people adequately, whilst they are allowing them to make enormous profits, they are throwing other men out of work. The Treasurer estimates to expend on the war from revenue during the current financial year £13,109,000. To get that money the Government are throwing men out of work instead of keeping them employed on reproductive works, and insuring that the money is spent in Australia.

By that action they are accentuating the position brought about by the high charges for the necessities of life. If the Treasurer were to allow that money to be expended in Australia on reproductive works we should not have the turmoil with which we are confronted to-day. I ask the Treasurer, having regard to the peculiar position in Australia to-day through lack of employment, does he not think that when men are out of work, and other men are doing badly in their businesses, those who are exploiting the people should not have their excess profits taken from them? However, I suppose the Ministry have made up their minds on this question, and will use the whip on their supporters. I know that there are honorable members on the Government side who indorse my ideas regarding this Bill. They know that if the present condition of affairs is to continue we shall have more trouble.

No Government seems to have grasped firmly the problem of dealing with excess profits. The British Government, in the first place, were the cause of the whole trouble by allowing the shipping companies to amass such large fortunes out of their ships. Now, for purposes of taxation the profits are based, not on the value of ships in pre-war time, but on the inflated value of ships to-day. Ships have risen in price by 1,000 per cent. to 1,500 per cent., and the profits are being based upon those high prices.

Mr. CORSER.—The companies could not replace the ships for any lesser amount.

Mr. MATHEWS.—That is not the point. A ship worth £20,000 in pre-war times has been sold for £300,000, and the profit of the company is based on that £300,000 value instead of on the original value. If the British Government had given a proper lead in this matter, the Australian Government might have followed suit. Because of the excessive charges for shipping, our wheat is left in Australia to rot and be eaten by mice, and the high cost of living is the result. The farmers of Australia are getting 4s. 1½d. for their wheat, whilst farmers in other countries are getting up to 11s. But it costs more to carry the wheat of Australia in ships with inflated values than the farmer receives for his wheat. The British Government, had they liked, could have commandeered every one of the ships, and allowed the companies 10 per cent. on their real value. The inflated value of shipping has been passed on to

Australia. The present Government is like all other Governments. An honorable member asked, this afternoon, why the Labour Government did not do what I am suggesting. The reason is that the men who were in the Labour party then, and have since left it, would not let us do what we desired. The Prime Minister is the principal offender of the lot.

Mr. McWILLIAMS.—Why did you sit behind him?

Mr. MATHEWS.—We had to support those who were in office then or accept a Government that would be worse. The Prime Minister is the man responsible for the excessive profits being made in Australia. He has power to stop profiteering. He had strength of mind enough to do many things which few others would have attempted, and yet he has allowed the profiteers to exploit the people.

Mr. WISE.—And you had not sufficient strength of mind to resist him, even though you had the numbers.

Mr. MATHEWS.—The honorable member is trying to be funny, but the position in Australia to-day is not comic;—it is tragic. What I desire is the proper taxation of war-time profits. I desire legislation that will protect the public from the exploitation of profiteers by providing for the Government taking all war-time profits, over and above a certain percentage. "I shall not vote for the second reading of this Bill, but if it be carried into Committee I shall there assist others in the effort to improve it, and if it be so improved as to be of any value, I shall then vote for its third reading."

Mr. RODGERS (Wannon) [8.1].—So far as it can be regarded as representing part of the burden of the war, I am quite prepared to see the community, and particularly the non-combatant section of the community of Australia, bearing its full share of taxation. I cannot say, however, that I welcome this measure, since I believe it to be both imperfect and narrow in conception. I do not look upon the Treasurer, who introduced the Bill, as having conceived it. I view it rather as being one of the inheritances of our party. It is almost the adopted son of the party. Its name has been changed, but still it is unpopular. It first saw the light of day as a "War Profits Bill." Later on it came along as a "War-time Profits Bill." For its

origin, however, we have to look beyond the Treasurer. The first War Profits Bill to be introduced in any part of the Empire after the outbreak of war was the Imperial measure. We in Australia have followed closely and almost devotedly most of the war legislation of the Mother Country. Britain set out to deal with the inordinate profits that were being made by the ship-owners and manufacturers of munitions in the United Kingdom. Australia, on the other hand, stands in quite a different position in relation to the war. With the exception of the vessels recently acquired, not one ship Australian owned has carried any food-stuffs or munitions to the Mother Country. As a matter of fact, no munitions for the war are being manufactured here. In these circumstances, therefore, we cannot have the same reasons that Britain had for the promulgation of a Bill of this character.

The present Prime Minister of Great Britain, Mr. Lloyd George, as a very astute man, recognised that in order to obtain, and obtain quickly, the munitions that Britain required, it was necessary to offer the premium of immense rewards to the great manufacturers of the Old Country to give up their previous occupations and to convert their great organizations into huge arsenals. Having induced them to do that, he very astutely cut them down to a reasonable price by legislating to take over a large proportion of the war-time profits secured in the manufacture of munitions. Such a condition of affairs does not obtain in Australia, nor are the conditions prevailing here at all applicable to the United Kingdom.

This is neither a War Profits Bill nor a War-time Profits Bill. It is, in my judgment, a measure to impose a war-time profits tax on some of the people of Australia and to exempt many more who are earning profits even greater than those who come within its scope, provided only they were also in receipt of huge incomes or profits before the war. I should like, in the first place, to endeavour to show the Treasurer that all owners of capital—all lenders of capital—who are not solely engaged in the business of lending money, will escape the incidence of this tax. Notwithstanding that since the war the rate of interest has increased from $4\frac{1}{2}$ per cent. to $6\frac{1}{2}$ per cent. on the stable securities of this country, there is not a lender of money in Australia whose business is not primarily that

of lending money but will escape paying a tax on the increased interest under the Bill. It is very questionable also whether some of the great houses whose money lending is merely incidental to the carrying on of their business will not escape this taxation.

It is surely a fundamental error in principle that such a great increase should take place in the value of money—an increase incidental, of course, to the war—and that the profits so made should not come within the scope of the Bill. Let us analyze a few cases. Let me take, by way of example, the position of the great insurance companies. Their business is not that of money lending. Their primary business is insurance, but we know that they are the great domiciles of money in the Commonwealth. It is questionable, however, if they will come within the scope of the Bill. Then again, take the position of trustee companies. Their money-lending transactions are but incidental to the carrying on of their business; yet they are fiduciary institutions which take the place of business men who do lend money. They will, however, not come within the provisions of this measure. I might instance also the position of members of the legal profession, who have the control of trust funds, but I do not expect that in that respect they should be dealt with as trustees.

Let us come to another fortuitous type of man—the man who has finished the carrying on of his life's business. He liquidates his life's work, and decides to put his money into the most stable form of security that he can obtain in Australia. In other words, he decides to invest in land. He purchases real estate; and lets it as landlord, but whether it be broad acres, residential properties, or business shops in the heart of the city, unless his business be solely that of a landlord buying and letting properties or dealing in land, I doubt very much whether he will come under this Bill. If the Government conceive it to be the duty of those who, in war time, earn profits in excess of their pre-war returns, to contribute their quota of the money required for the carrying on of the war, then I say that, after making provision for the rectification of a few anomalies, there is no good reason why the whole of the non-combatants of Australia should not come into the fold of taxation.

I cannot understand what justification there is for the exemption of individuals or groups of individuals. We have laid it down—and I am one who believes in the principle—that when a nation is at war all its resources should be organized for the conduct of that war. That principle has been put to the test recently, so far as the man-power of Australia is concerned. I regard that as only a section of the obligation that the country owes. The man-power is one section, but all the other resources of the country should be marshalled and put at the disposal of the country.

I am not satisfied with this Bill, and as I have already said, I do not believe it was conceived in the mind of the Treasurer. I regard it as the adopted son of the party. In my judgment, it is a misfit intended to apply only to a section only of those who are earning war-time profits.

MR. SAMPSON.—Would the honorable member strike out all exemptions?

MR. RODGERS.—I shall answer the honorable member's question in this way: In 1914—the year when the war broke out—this country suffered one of the most devastating droughts in its history. As the result of that drought, I believe we lost, at the very least, £100,000,000 by reason of exhaustion of stock and non-production of produce of all descriptions. The very face of the earth was bare and unyielding. I would go the length of saying that all who suffered from the drought should have a fixed period for recovery, so far as this Bill is concerned. In the case of such people, however, this Bill practically proposes to tax capital instead of earnings, or what would really be income in the period of recovery.

I do not propose at this stage to discuss the machinery of the Bill; a more suitable opportunity will offer when the measure is in Committee. Like the honorable member for Flinders (Sir William Irvine), I think the Government are proposing to place an impossible task in the hands of the gentleman who is to administer this law. The House is not attempting to define its object. Under the Bill it is not a war profit, nor is it a war-time profit that we are proposing to tax in respect of the whole of the people of Australia. The Bill is so drawn that any sensible person looking at it, and knowing anything of the commercial, financial, and rural interests of the Commonwealth, must recognise that grave in-

justices are going to be done under it. The Commissioner is to be given very wide powers. The National Government has been very fortunate, since the inception of its direct taxation policy, in having as its Taxation Commissioner a man so eminent and so broad-minded as was the late Commissioner. In his successor—the gentleman who is to-day filling his place—the Government have a very capable, able, and earnest officer, who I believe will give the taxpayers a fair deal. But the time may, and will come, no doubt, when the Treasurer, beginning to find that he is getting short of money, will think that too liberal a construction is perhaps put upon the Act by the Commissioner administering it. The Commissioner will then be elbowed to secure more revenue from this source, and, in my judgment, his interpretation of the law may become less favorable.

This Parliament ought to be capable of declaring what it sets out to do. Let it make known its intentions in clearer and more definite language than is employed in this measure. As it stands, the Bill is imperfect. It is not right that a Minister should pass over his responsibility to the Commissioner to such an extent as is here proposed. If the Bill goes through in its present form, the whole burden of responsibility will be placed on the Commissioner. The responsibility is one which Parliament should take. We should be more specific and definite in stating what we seek to accomplish.

Sir WILLIAM IRVINE.—It leaves the responsibility upon him, without any guiding principle.

Mr. RODGERS.—That is so.

Mr. SAMPSON.—The Commissioner's great powers are chiefly in respect of new businesses.

Mr. RODGERS.—He has very much wider powers in relation to other matters. Under one provision he has power practically to use his own discretion.

Mr. SAMPSON.—There is a definition of "capital" in the Bill.

Mr. RODGERS.—I venture to say that that definition is altogether wrong, and that if it be allowed to stand it will cause grave injustice to many. Clause 16 provides that—

The amount of the capital of a business shall be taken to be the amount of its capital paid up by the owner in money or in kind, together with all accumulated profits invested in the business, with the addition or subtraction of

balances brought forward from previous years to the credit or debit respectively of profit and loss account.

If the Bill remains as it is, what will be the position of those in business? They will get only the benefit of the 10 per cent. exemption in regard to their own capital in the business. The very world revolves on public credit; nation lives on nation, and individuals on one another; and it is the custom for the fortunate man to lend to his less fortunate brothers. The taxing master knows that many of the great business undertakings of this city could not survive for half a year if the borrowed capital were withdrawn. A full allowance of 10 per cent. should be allowed on all capital in a business.

I must say that, in my judgment, the Treasurer, as far as the Bill will allow him, has shown a disposition to meet practically every interest which he believes has a genuine grievance. I, along with other honorable members, have brought some cases under his notice, and he has given us most considerate treatment; and what I complain of is that the Bill, as constructed, will not permit him to do justice. In respect of capital, 10 per cent. is allowed by the Treasurer, and honorable members, particularly those opposite, say that that is excessive. To-day the value of money, apart altogether from investments in business, is from $6\frac{1}{2}$ per cent. to 7 per cent. on overdraft. There is a margin of 3 per cent. for the risk of carrying on the business, for losses, and for management; and that is a very small sum in a great-commercial community.

Mr. POYNTON.—If the Treasurer had stuck to the 6 per cent. and 7 per cent. that anomaly would not exist.

Mr. RODGERS.—I agree, but a grave injustice would occur, and I congratulate the Treasurer on recognising that industries cannot go ahead without some inducements.

Mr. POYNTON.—Eight per cent. is a very good inducement. Half the industries are not earning 8 per cent.

Mr. RODGERS.—That makes the honorable member's position so much the worse, because the business man gets no margin at all, practically, for carrying on the business. A man with no risks, no organization to provide for, and no industrial troubles, gets the benefit of 6 per cent. and 7 per cent., while, in the

other case of a business, it is said that 8 per cent. is sufficient under the Bill.

Mr. POYNTON.—He gets 8 per cent., and then half the profits.

Mr. RODGERS.—Of course, he does, and I think the Treasurer has done well to allow that margin. As the Bill is constructed, it adversely affects the man who has come through a drought period; and it does not matter whether he be on the land or in business, for every business suffers with the rural industries. In the stock business, of which I have had some experience, it is customary for business firms to arrange credits for stock-owners, who pay 6 per cent. and 7 per cent. Under the proposal of the honorable member for Grey (Mr. Poynton), there would be no inducement whatever for a country auctioneer to employ any capital except his own.

Mr. POYNTON.—How is that got over in the case of the English Act?

Mr. RODGERS.—The conditions in Great Britain are altogether different from the conditions in Australia. I would be very slow to make any plea in the House or elsewhere that any person should evade his proper financial obligations at war time. I do not believe in the Bill; but if the Government regards it as a vital part of their financial proposals, it, of course, becomes an obligation on Government supporters to see that the money is obtained by this means. The Bill is an attempt to build commercial principles on a political Bill, for this Bill in Australia is mainly political.

Mr. WEST.—That is pretty rough!

Mr. RODGERS.—It has been in the "window-dressing" of three different Governments, but it will not fit, in an equitable way, the financial and commercial interests of this country. The result is that the incentive to business is removed immediately you take over 75 per cent. of the profits, and credit will be restricted.

Sir WILLIAM IRVINE.—You are referring to profits that are not derived from the war?

Mr. RODGERS.—Of course; I am referring to the carrying on of all the financial and commercial operations of the country, very few of which have direct relation to the supply of war requirements. In England, Mr. Lloyd George, with a view to the delivery of the war goods at the earliest possible moment, gave an excessive reward for the provision of

munitions and equipment, and got back a fair portion by taxation. We must recognise that a tremendous financial exhaustion has gone on in every country, and we are still in the middle of a great war, the end of which no one can see. We here, however, have not yet felt this devastating exhaustion of capital, because we are living on an artificial inflation of internal credit. But we must reach the stage when we must either continue to carry on under these artificial conditions, or come back to financial soundness and stability.

I take it that the Treasurer wishes to see new wealth created in order to make up for this exhaustion and to meet our enormous interest debt. Further, we have to remember that 350,000 to 400,000 men will have to be restored to citizen life, and this will cost a large amount of money. This Parliament has two great obligations: first, to keep the men backed up on the battlefields, and, secondly, to compensate them reasonably for what they have done on their return. To meet the circumstances the wheels of every industry, rural and secondary, must spin at top pace. To-day, in this city of Melbourne, at any rate, there is unemployment, and I submit that if we take away the wages fund by taxation under this Bill we shall increase unemployment.

Mr. HEITMANN.—Would the honorable member allow a man to make any profit he chose?

Mr. RODGERS.—If the honorable member looks at our taxation legislation he will find that all our Income Tax Bills are so graded that all are reached, and we could, if necessary, increase the gradation.

Under this Bill a business may be making a profit of £100,000 a year and, providing it has always done this, and that the profit is within 10 per cent. of the capital, it will not come under the Bill. On the other hand, a struggling stock farmer, who is trying to emerge from the drought period, and in the recovery period has a very good year, may probably find himself called upon to pay £1,000 or £2,000. In my opinion, the Bill is narrow, and allows too many to escape. Every one in business here is having his life and his business defended, and all ought to pay in their proper proportion on incomes.

Mr. BOYD.—What about the exemption of agriculture?

Mr. RODGERS.—I say that in effect that is not a complete exemption. What wheat-grower is not also a stock-farmer? He will escape in respect of his agriculture, but will pay as a stock-farmer; and how is he going to divide the two branches of his business? I dare say, however, that the taxing master will be astute enough to devise some means. Personally, I think that the portion of the farm which, for the time being, is under agriculture will be exempt, while the balance carrying stock will be liable. In appearance there is an agricultural exemption, but in reality there is not, because in respect to the very horses he breeds and uses for agriculture the Bill will apply. However, the farmers of the country are as patriotic as any other section. Their sons are away fighting our battle, and they have their hardships, but, providing they are given a period of, say, two years or more to recover from drought, they are prepared to pay their proper share of taxation.

There will be many cases of hardship under the Bill, but the proper place in which to deal with these is Committee. New businesses will be particularly hard hit. A young business will find itself with hobbles on, unable to move, in the absence of a pre-war standard—it will not be able to move beyond the point that the Treasurer lays down. My experience of taxing measures is that once they are passed they are very hard to get rid of. Once we admit that a principle is right in legislation, it is very hard to get the principle or the measure removed.

Mr. POYNTON.—Do you think that under the Bill the only amount to be allowed is 10 per cent.?

Mr. RODGERS.—I am not going back on that old question. If businesses were limited to the 7 per cent. or 8 per cent. that the honorable member proposed when Treasurer, a tremendous amount of incentive to push them ahead would be gone.

Mr. POYNTON.—That is not fair to me. The Bill, as it left my hands, allowed for new businesses which would be seriously affected as high as 20 per cent. on pre-war rates.

Mr. RODGERS.—I am afraid the honorable member is thinking more of his position in relation to the Bill than of its effects on the commercial and financial community generally. I am convinced that a tremendous amount of injustice will be done under the Bill, particularly

to rural industries. Go through a drought of the kind I have described and you will find that it takes years and years to recover.

As regards old reconstructed businesses previously unprofitable, those who embarked in them in this country knew that for years they would be unprofitable, because they would remain so long in the foundational or pioneering stage, but that ultimately they would become very profitable. Will the Treasurer say how those businesses are to be carried on under this Bill? When they reach the profitable period they will have to deliver over to him three-fourths of their earnings. We have not reached the stage in the public life of this country where individuals are going to carry on their businesses for the benefit of the community.

Mr. POYNTON.—The three-fourths is taken only after 10 per cent. has been allowed.

Mr. RODGERS.—I am referring to businesses that have been reconstructed or launched on a basis that will take a certain number of years to make them profitable. Generally, they come into their own at the end of that time, but, under this Bill, those concerned in them will not be able to get the reward necessary to make up for the continuous losses during the earlier stages. The honorable member for Grey [Mr. Poynton] must know that there are many industries into which men have gone with a certain knowledge that they must stand severe losses for years and years, although, ultimately, when they are put on a sound basis, they will get it all back in big profits. Under this proposal the incentive to carry on businesses of that kind will be lost.

I am pleased to see that the Bill allows credit for new businesses based on patent rights. It has been the policy of this country to protect the brains of men who give it new devices for quickening production. Ordinarily, the protection is extended under the patent law for fourteen years. Under this Bill the patent is to be regarded as a potential asset, and I hope that, in that respect, both the Treasurer and Commissioner will be liberal. I know of a small industry based on a patent. A family of farming brothers dropped on a simple device. Not much capital is employed, but the profits on an industry of that description have to be substantial in the early days, otherwise we should not have in this country

captains of industry like Mr. McKay, at Sunshine. That man started in the most modest way possible, protected under patent rights. I never object to a man making a good profit providing that he employs it in his business, which, in turn, gives employment to the people of the country. That is one of the reasons why I never object, under the policy of Protection, to a manufacturer getting a good profit. You would never have the bigger wheel of industry if you stinted the manufacturer. If we keep people down to a very low margin of profit we shall never obtain the big producing, commercial, and industrial effort necessary to carry us over the war period without substantial loss. If the Bill restricts profits to the pre-war standard, the effect will be the very opposite to what we want. We must make up for the tremendous war losses, and make provision to absorb the fighting men when they come back. To do that, industry must be stimulated.

I notice that no provision is made for the exemption of a man whose business is being carried on while he is away fighting for his country. This must be an oversight, and I hope the Treasurer will see that, as regards personal exertion in his business, a soldier on active service is placed in the same position under this Bill as he is under the Income Tax Act.

Sir WILLIAM IRVINE.—If he has a share in a business which has made larger profits out of the war, why should he be exempt? This is not like the Income Tax Bill.

Mr. RODGERS.—Here again, I am afraid the honorable member for Flinders fails to appreciate the very cogent and potent arguments he put forward himself. Take the man who is carrying on stock-farming. There has never been in the history of Australia a period when the returns of the stock farmer have increased as they have since the last drought. I prefer to say "drought" rather than anything else, because the immediate cause of the rise in the value of stock was the drought, and not the war.

Sir WILLIAM IRVINE.—Then those are not war profits.

Mr. RODGERS.—Not as the honorable member likes to define them, but they are war-time profits as defined in this Bill.

Sir JOHN FORREST.—There is the provision as to pre-war profits to go by.

Mr. RODGERS.—Although you have a pre-war standard the increment in value is due to the drought rather than to the war.

Sir JOHN FORREST.—I know all about that.

Mr. RODGERS.—I believe the Treasurer has been hit as well as many other pastoralists in this country. I hope that, knowing his own position, and being so well able to stand it, he will recognise that many others cannot stand paying into the Treasury money that they have earned, but that really belongs to the men who gave them credit, and that is not their own surplus money to hand over to the Treasury.

Sir JOHN FORREST.—The pre-war standard will help a good many. That was before the drought.

Mr. RODGERS.—The pre-war standard will not be sufficient if a period of non-production has intervened. But for the system of balancing good years against bad, the pastoral life of this country could not have been kept going. Every encouragement should be given to the pastoral industry. There appears to have grown up in Australia a contemptuous feeling towards the man who has prospered by grazing.

Sir WILLIAM IRVINE.—Not contemptuous—only envious.

Mr. RODGERS.—It has taken the form of punitive legislation.

Mr. SAMPSON.—That is only among the new generation that knows not Joseph.

Mr. RODGERS.—We in Australia are engaged in hawking corn 13,000 miles around the world for less than 1d. per lb., although our country is eminently suited for stock raising, and we get 6d. per lb. for beef, 1s. 3d. per lb. for wool, and proportionate prices for dairy produce. Yet we are all hastening to grow corn instead of building up our flocks and herds.

From my personal knowledge, I can assure the Treasurer that there is going to be a great injustice done to grazing and stock farming interests as a consequence of the drought if their recovery profits are to be taken from them. I would suggest to him for a start to give, say, a period of two years to recover from the drought. If, as he says, they will be covered by the 10 per cent. provision, he is giving nothing away; but if, as I believe, their recovery profits will largely

exceed 10 per cent., they will be giving to the Treasurer in taxation capital which belongs, not to them, but to the men who have financed them. He will be doing them a good turn by re-considering the drought effect on their industry. Let me give him a specific instance. Many people of necessity, and by the encouragement of all Governments, set to work to obtain increased production from the land. Every Parliament called out to these rural men to increase their production. Many, impelled by the necessity of drought losses secured credit to buy stock. One man lost £7,000 during the drought. He borrowed capital to re-stock. Those who were concerned in it used all their activities to get him the right class of stock, and to get it cheap. He recovered in the first year over £4,000 net. His previous pre-war standard for the very highest of the six years allowed was £1,200.

Sir JOHN FORREST.—Surely in those six years he will get two that were pretty good.

Mr. RODGERS.—The very best of the six years that the right honorable gentleman allows him to roam over and pick from was one which gave him £1,200. Under this Bill the Treasurer will take from him, of the £4,000 that he made in the first year after the drought, £1,500, if not more. That money is not his. It belongs to the man who lent him the capital to re-stock, and he wants it to make up the previous loss of £7,000.

Sir JOHN FORREST.—What about the capital clause?

Mr. RODGERS.—That will not cover him.

Sir JOHN FORREST.—Then he is very hard to cover.

Mr. RODGERS.—He is; but that does not get away from the injustice of the case.

Sir JOHN FORREST.—If the pre-war standard will not cover him, and the capital clause will not cover him, what will?

Mr. RODGERS.—The point is that he has had a drought in between. He was encouraged by Governments, and impelled by his own necessities, to make another and special effort at recovery. He had his financier behind him, and he was compelled to go at top pace to make the biggest profit he had ever made, to cover his loss. What he has made belongs to the man who financed him. It is not his to give.

Sir JOHN FORREST.—If the honorable member will give me particulars of the case I shall look into it.

Mr. RODGERS.—I shall furnish to the right honorable gentleman the particulars of six specific cases.

Mr. HIGGS.—Under the Bill a man is entitled to make up his losses.

Mr. RODGERS.—No. There was an averaging provision in the old Bill, but it has been dropped out. There are war-time losses as well as war-time profits, and if a man's profits, whether capital or not, are to be taken from him, his losses should be set off against them. I ask the Treasurer to give careful consideration to the case of this man and to that of others similarly situated, whether engaged in rural or commercial pursuits.

Mr. FENTON (Maribyrnong) [8.47].—I do not know that the right honorable gentleman who presides over the destinies of the Bill (Sir John Forrest) is abundantly satisfied with the criticism of it that he has heard, particularly from members of his own party. The speeches of the honorable members for Flinders (Sir William Irvine), Wannon (Mr. Rodgers), Kooyong (Sir Robert Best), and others make me think that there must have been a lively time in the Nationalist Caucus when the Bill was under discussion there the other day. Evidently what has been said has made some impression on the Treasurer, because he has intimated, through the press and in reply to questions in this House, that in Committee the Bill will be remodelled almost out of recognition. The honorable and learned member for Flinders is very dissatisfied with the Bill. He does not like its title. I agree with some of his concluding remarks. He spoke of the great problems that will confront this and every country when the war ceases, and referred to the need for organization. I have not the slightest doubt that in the financial, commercial, industrial, and rural occupations all the genius of the community will be needed to make this re-organization successful. Unfortunately, we have not yet commenced it, and when the war ceases every other country will be in a better position than we shall occupy in Australia.

Sir JOHN FORREST.—This Government has been in office only six months.

Mr. FENTON.—If you scan the pages of *Hansard* you will find that on this subject I have been like a "voice crying in

the wilderness" almost since the war began. The honorable member for Herbert (Mr. Bamford) gave the Bill a new title.

Mr. HEITMANN.—The best it has had.

Mr. FENTON.—He said that the Bill practically indicates that we are trying to force on the country a measure to enable persons to indulge in immoral practices. His opinion concerning the measure, and its failure to deal with the cost of living, has been re-echoed on this side, but there has been a remarkable silence on the other concerning the increased cost of living, which is at the root of the discontent now prevalent throughout the world. It is not only the industrial classes that are discontented; small and even comparatively large business men, and the community in general, are crying out, and the cry will be so loud that the Government will have to pay heed to it. For a long time past it has been my opinion that a condition precedent to taxation is the prevention of the passing on of taxes. The honorable member for Calare (Mr. Pigott) coined a new phrase when he referred to some of the central executives as super-parliaments. I am not afraid of them as super-parliaments. In my opinion, the real super-Parliament in this and every community is composed of those who control the supplies of the nation, and fix the prices of its commodities. Parliament may impose war-time profits taxation, income taxation, or any other taxation, and it is passed on. The Minister for Works and Railways has said that there is a process of filtration by which, with very rare exceptions, taxation passes down until it comes to the bedrock—the workers of the community. We may talk as we please about taxing the rich; this super-Parliament of which I speak—whose powers are greater than the powers of this Parliament in determining the distribution of taxation—passes it on.

Mr. BRENNAN.—This super-Parliament is not only greater than this Parliament, but also is well represented here.

Mr. FENTON.—No doubt. Many members would not be here if they had not had the solid support, financial and otherwise, of those to whom I refer. I wish now to refer to some of the remarks of the honorable member for Kooyong (Sir Robert Best). He quoted a few lines from an article by Mr. Raymond Rad-

clyffe which appeared in the May number of the *English Review*. I intend to quote somewhat more extensively, because I prefer to put the views of this writer into *Hansard* in his own words instead of in my own. He writes—

That traders do add taxes to the cost of goods can be readily seen in the annual reports of the thousand and one limited companies which appear every year. If these companies struck their balances before adding the excess profits tax, we should, perhaps, not be able to point the moral; but they don't. Almost all give net profits after deducting the tax, and also after deducting income tax, the only exception being persecuted rubber companies, who invariably give the gross profits, and fight for the tax.

I condemn previous Governments even more than this Government for their inaction in regard to war profits taxation. This taxation should have been imposed almost at the beginning of the war. In the latter part of 1914 the Fisher Government, which I supported, should have done in Australia what the British Government did. The war broke out in August, 1914, and a little later the then Chancellor of the Exchequer, Mr. Lloyd George, introduced a Bill providing for the taxation of war profits, the operation of which was made retrospective from the 1st September, 1914. In Australia war profits were larger at the beginning of the war than they were later, because there were leakages at first which have since been repaired. To continue my quotation:—

Now, what do we find? Nine hundred and thirty-three companies made £61,070,697 in 1912, £70,510,414 in 1913. In this last—the pre-war year—the companies made 11.7 per cent. on their capital. In 1914, there was no excess profits tax, and the first seven months were months of peace—low prices in rubber, iron, and steel; and the last five were months of collapse in money markets, some panic, and falling prices. Yet net profits in 909 companies included in the tables of the *Economist* were £69,684,531, an increase of 0.9 per cent. on the same companies in 1913. If we take 1915, we find that 928 companies made £66,926,983, a decrease of 3.2 per cent.; but the companies made 10.2 per cent. on their capital. We now come to 1916, in which year the 60 per cent. excess profits tax was in full working order, and the 5s. income tax also doing its best. Have the companies been injured? Not a bit of it. They have never done so well. Nine hundred and thirty-two companies made £86,587,823, an increase of 28.6 per cent. over the profits made by the same companies in 1915. These companies made 13.2 per cent. on their capital. Here we have a splendid example of how the excess

profits tax works. Every manufacturer has made more money than he ever made before, and has made it after paying all the preposterous taxes.

Later he says—

Provision shops have had to pay more for provisions, and workmen find the cost of living higher; and, when the Budget comes along, we may find the excess profits tax raised to 75 per cent., which will automatically raise the whole cost of the war 15 per cent. Nay, it will do more, for it will raise the cost of the workman's food, and this means discontent, strikes, and then higher wages.

I propose now to quote from the leading article of the *Melbourne Age* of the 1st August, 1917. It refers to the Commonwealth Government, and is on the same lines regarding the matter dealt with by Mr. Radclyffe in his able article.

Mr. BOYD.—Who says that it is an able article?

Mr. FENTON.—The honorable member will find it difficult to dodge Mr. Radclyffe's deductions, though I do not agree with him that it is useless to impose war-time profits taxation because such taxation is passed on. As I have said, we should prevent the passing on of taxation. There should be some method of limiting profits, or of fixing prices.

Mr. BOYD.—Does not the honorable member believe that all taxation is passed on?

Mr. FENTON.—The cost of goods is increased. As the honorable member for Balaclava (Mr. Watt) has said, a man who is taxed tries his best to find some other shoulders on which to place the burden, and, as a rule, is successful in his quest. As a rule, the man on the land cannot pass on his taxation. The *Age* article to which I have referred reads—

The time is steadily approaching when the Government of the Commonwealth will have to choose between continuing its present policy, which is intrinsically a policy of strike promotion and the creation of general tumult and disorder, and adopting a policy scientifically calculated to banish discontent, that is to say, a general policy of price fixing.

Unless the Government do something soon in regard to price fixing, the state of discontent predicted in that article, and the picture presented by the writer in the *English Review*, will manifest themselves in our midst, and will extend to every section of the community, because people in all classes of life are groaning under a load of taxation which they cannot longer bear, simply because the taxes imposed by the Federal and State Parliaments,

and by other authorities, are being continually passed on to the general mass of the people.

Sir JOHN FORREST.—Why take such a pessimistic view?

Mr. FENTON.—It is not a pessimistic view. It is a view shared by everybody who has had experience of financing a household.

Sir JOHN FORREST.—You are always crying "Wolf! Wolf!"

Mr. FENTON.—I am merely trying to relieve the people of the increasing load of taxation that is imposed from time to time. Who pays many of our Excise duties? They are all passed on.

Sir JOHN FORREST.—Who do you think is going to bear the duties except the people who use the commodities that are taxed?

Mr. FENTON.—It is the last straw that breaks the camel's back. It is a marvel to many in this community how it is that working-class families manage to struggle along at the present time, and, unfortunately, many of them are the wives and dependants of men who are fighting our battles at the Front. We cannot allow this condition of things to continue. We call ourselves a National Parliament, and we ought to be prepared to stretch forth our hands to help and succour those who are weak, as we must realize that the people cannot for long resist the increasing pressure that is being put upon them. If we wish to make the people more discontented, let a little more of this taxation be passed on, and the cost of living further increased, and we shall bring about such trouble as the Treasurer will regret for many years.

Sir JOHN FORREST.—You have been saying the same thing for years.

Mr. FENTON.—When the honorable member for Capricornia (Mr. Higgs) was Treasurer, I made the same appeal to him, and he admitted that we would have to devise means of preventing taxation being passed on. The same classes of people who have borne the burden of taxation all along are bearing it to-day; and in time of war we are making that burden heavier than ever. It is high time we put our house in order. The honorable member for Kooyong (Sir Robert Best) waxed eloquent over the fact that, after a trial for one or two financial years, New Zealand has repealed this form of taxation.

Sir ROBERT BEST.—It was a rank failure.

Mr. FENTON.—But remember that, although the New Zealand Parliament repealed the War Profits Tax, it has substituted other taxation. A population of about 1,000,000 people is paying in ordinary income tax £1,600,000. There is a special war tax of £3,000,000, and in the last Budget-speech delivered by Sir Joseph Ward the Government announced their intention of imposing an amusement tax, yielding £800,000. They have also increased their revenue from Customs and Excise by £275,000. and from land tax by £500,000.

Sir JOHN FORREST.—You forget that New Zealand differs from the Commonwealth, inasmuch as there are no State Parliaments imposing taxation there.

Mr. FENTON.—I take that fact into account, and I repeat what I have said on previous occasions—that it is about time we reduced the number of Parliaments in Australia. The Treasurer, as one who took a prominent part in the initiation of Federation, knows that the leaders of the Federal movement promised faithfully that the Federation would cost the people of Australia a mere bagatelle. They said that the Commonwealth would relieve the States of so many duties and responsibilities that their expenditure would be considerably decreased.

Mr. CORSER.—Are you advocating Unification?

Mr. FENTON.—I do not say that I go to the extent of advocating Unification; but I am inclined to prefer the South African form of Federation to that which we have in Australia. The people to-day are groaning under the present load of taxation; and they will demand, amongst other things, a decrease in the cost of living, and in the number of parliamentary and the fripperies associated with the various Parliaments.

Mr. SINCLAIR.—They did not groan before the Labour party came into politics.

Mr. FENTON.—The honorable member ought to be the last to complain about the Labour party coming into politics. The Labour party has placed reform legislation on the statute-book, and brought into existence institutions that have been the great bulwark of the Commonwealth in this time of stress. Without the Commonwealth Bank and the note issue, the people of Australia would be handicapped almost out of existence.

Mr. SPEAKER.—Order! I ask the honorable member not to reply to interjections which have no reference to the subject-matter of the Bill.

Mr. FENTON.—I propose to read an extract from the *American Review of Reviews*. It is not my intention to compare American manufacturing profits with those made in Australia. Until recently the United States of America stood out of the war, and was executing large orders for munitions for every one of the allied Governments. Naturally, the manufacturing industries of that country have gone ahead by leaps and bounds, and their incomes have shown the natural increase that comes from a greater volume of business. But a writer in the *American Review of Reviews*, dealing with the increase of profits in America, said—

In 1913, eminent economists could, and did, prove that a world war could not be fought for two years with the gigantic demands of modern war financing. They showed that the stored up capital of the world was not sufficient to stand the strain; and they were right.

But a greater conflict than they promised has gone for nearly three years, and may go on much longer . . . this is possible simply because the current productivity of the human race has been increased by greater efficiency and effort, largely by the efficiency of more highly socialized industry.

I believe that. The nations of the world would never have been able to stand the strain of the war but for superior organization and the socializing of industry. In this time of storm and stress the socializing of industry has practically saved the situation; and I am convinced that what has proved good in time of war will be proved, from efficiency and productivity points of view, equally good in time of peace. The writer went on to quote the net income of leading industrial corporations—

Name of Company.	1914.	1916.
29 Steel Munition and Machinery ..	\$69,365,668	\$596,236,644
12 Copper, Zinc Mining Companies ..	31,041,951	225,446,026
Automobile and Tyre Companies ..	23,542,390	63,638,618
Sugar, Leather, Wool, Meat, &c. ..	47,811,898	116,696,487
Shipping Concerns ..	3,208,259	20,177,816
Chemical Companies ..	10,514,112	82,625,530
Totals ..	\$244,376,576	\$1,368,040,933

Sir ROBERT BEST.—But those figures relate to America.

Mr. FENTON.—One would infer from some of the arguments used to-day that no war profits at all were being made in Australia and other places. Although I do not agree with many of the provisions in this Bill, I must confess that, notwithstanding that we in Australia have not had big war contracts for munitions, we have had big war contracts for wool and woollen goods, for clothing, and other commodities; and the suppliers of those goods, as well as others in the trading community, have made during war-time very big profits.

Sir ROBERT BEST.—Whilst we have made thousands of pounds, the American manufacturers have made profits of millions.

Mr. FENTON.—Certainly; but there is no reason why, with a proper system of war profits taxation, we should not tax those thousands. I think the figures in the last New Zealand Budget will show a proposed increase of nearly £5,000,000 in taxation; and although the war profits tax has been repealed, the Government are proposing other taxation which will be perhaps even heavier than that which has been withdrawn. No doubt, the New Zealand Government will have special provisions in those new taxes to deal with the people who have made big profits in war time.

Sir ROBERT BEST.—The war profits tax was abandoned in New Zealand because of unequal treatment and the cost of collection.

Mr. FENTON.—No one desires the creation of a costly Department for the administration of this tax. The existing Taxation Department has been successful in handling other new taxes, and I dare say this tax can be administered by it with the addition of a few extra officers. The imposition of this tax should not require the appointment of additional highly-salaried officers.

Several attempts have been made to discount the importance of the figures produced by Sir Alexander Peacock in the Victorian Legislative Assembly showing the extent to which certain incomes have increased in this State. Whilst I am not a political admirer of that honorable gentleman, I think he would be the last man in the Victorian Parliament to try to mislead it, and as Treasurer of the State it is only reasonable to assume that he is well acquainted with its financial operations. In this respect our cir-

cumstances may not find a counterpart in all the other States, but the position in one State is very often a fair index of what is going on in the others. At pages 91-2-3 of No. 2 of the *Victorian Parliamentary Debates* of the present session, certain figures cited by Sir Alexander Peacock in the course of a want-of-confidence debate are given. The Leader of the Opposition has already quoted some of the figures given by Sir Alexander Peacock, and they have been amplified by the honorable member for Melbourne (Dr. Maloney).

Mr. SPENCE.—They are misleading, and of no value.

Mr. FENTON.—I join issue with the honorable member. The honorable member for Kooyong (Sir Robert Best) admitted a few moments ago that Australia in no way compares with either the United States of America or Great Britain in regard to the manufacture of munitions and the profits arising therefrom. That being so, from a business point of view the ordinary trade and industry of the Commonwealth since the outbreak of the war must have been pursuing more or less the even tenor of its way. During that time prices have materially increased. Woollen goods, for instance, have doubled in price. Some one must have obtained the benefit of these increases. Then again, we have required clothing for our men at the front, and although at present part of the Exhibition Building is practically filled with the products of our woollen mills—

Mr. MANIFOLD. — Does the honorable member say that the price of wool has doubled since the war?

Mr. FENTON.—I am referring more particularly to the prices of woollen goods, such as flannels, which are double what they were in 1911. In 1912, according to Sir Alexander Peacock, there were in Victoria 1,056 taxable persons or companies with revenues or salaries of £2,200 and over, and in 1915-16 the number had increased to 1,362. In 1912 the total income of these persons or companies, whose revenues or salaries amounted to £2,200 and over, was £7,712,000; in 1913 it was £9,439,000; in 1914, £9,436,000; in 1915, £9,599,000; and in 1915-16, £9,481,000. For the twelve months ended 30th June of this year, Sir Alexander Peacock said the amount had gone up to £10,963,000, or an increase of £3,251,000 per annum in

the earnings of these companies and persons since 1912. In view of these figures honorable members opposite say that the Treasurer's estimate of only £900,000 as the revenue likely to be received from this tax for a two years' period must be an under-estimate.

Sir JOHN FORREST. — The figures are not worth the paper they are written on in the absence of more facts. We do not know what additional capital has been used.

Mr. FENTON.—That criticism applies not to me but to Sir Alexander Peacock.

Mr. CORSER.—The honorable member does not know to what extent the capital employed in these businesses was increased during the period under review.

Mr. FENTON.—The honorable member will admit that the extra capital put into such businesses during the period named has not amounted to anything like £3,251,000. If there has been no such increase in capital, then the war-time profits in Victoria must have been considerably more than the Treasurer estimated.

Sir JOHN FORREST. — The estimate is not mine; but I hope the honorable member is right.

Mr. FENTON.—By way of illustrating the profits made, I may refer to an item the increased cost of which is known to every one who has had anything to do with the building of a house. I refer to corrugated iron. I have it on the authority of those in the trade that one Melbourne firm alone has made £100,000 out of its stocks of that commodity. I am not surprised that such a profit should have been made if the firm in question made its purchases early in the war. Immense profits have also been made on other lines. Some of those who talked largely of patriotism at a meeting of the Chamber of Commerce in Adelaide about two months ago were able to commandeer large supplies of certain chemicals and other lines at the commencement of the war, and, by holding them, to make profits of thousands of pounds. Articles that used to be sold for 6d., 9d., and 1s. a lb. went up in price to something like 2s. 6d., 3s., and 5s. per lb.

Mr. RICHARD FOSTER.—But what do they cost to land to-day?

Mr. FENTON.—These prices were obtained for goods which were purchased or held in stock at the beginning of the war.

Some of those who are regarded as among the most reputable business men in the community are amongst the biggest trading gamblers in Victoria. These increases in prices were in respect of articles necessary for the health and welfare of the community. In some of our hospitals we have had the greatest difficulty in obtaining certain requisites.

Mr. RICHARD FOSTER.—I do not believe it.

Mr. FENTON.—The honorable member may speak for South Australia, but he must admit that there are certain limitations to his knowledge. I am speaking by the book, and, if desired, I can supply names and addresses.

Dr. MALONEY.—Are not Condry's crystals 1,700 times dearer than before the war?

Mr. RICHARD FOSTER.—They cannot be obtained.

Mr. FENTON.—I can only say that I do not believe in that class of business morality which permits a man to buy up large stocks of chemicals or other materials to store them away, and to take advantage of rises in prices week after week and month after month until he is able to obtain almost exorbitant rates. When we have in the community people who are prepared to resort to that class of trading—trading of the most immoral character—it is time that we did something to prevent them passing these high costs on to the people, and to extract from their exchequers some of the money they have thus taken from the public so illegitimately.

Coming to the exemptions in the Bill, I consider they are altogether too many. If this is to be a war measure there is no reason why any one should be exempt from it. If a farmer has made during war time profits in excess of his pre-war returns, why should his peculiar occupation exempt him from the provisions of the Bill? Then, again, why should professional men be exempt? Some of them have earned magnificent incomes since the war. We have sent to the Front between 400 and 500 medical practitioners, who are doing there a noble service. Some of them gave up lucrative practices in order to serve their country. Those who have remained behind have consequently had more to do, and their revenues have immensely increased. It is true that many of our medical men are working night and day. It is equally true that they are making more money than they would earn

if their brother medical practitioners at the Front were here to-day. Enjoying, as they do, these increased incomes, there is no reason why they should not come within the scope of this measure. Many of the legal fraternity are in the same position.

Sir ROBERT BEST.—What?

Mr. FENTON.—The honorable member and his fellow legal practitioners are doing very well. I might in this connexion quote what Mr. Wells has to say about Sir Edward Carson, who belongs to the honorable member's profession. Mr. Wells points out that even during this critical war-time period Sir Edward Carson, who is now a member of the British Cabinet, has been in the Courts earning a splendid income. Although many of our men have gone away to fight for us, there are still many fighting as between themselves in Australia. There are many litigants, and where there are litigants the lawyers gather. Where the lawyers gather there are handsome fees.

Mr. RICHARD FOSTER.—The honorable member is now on solid ground.

Mr. FENTON.—When we pass by the farmer and grazier and proceed to urge that lawyers should come under the tax, the honorable member thinks we are on solid ground. Those who are making profits in excess of pre-war standards should come within the scope of this Bill.

There have been so many threats, both in the course of the speeches of honorable members opposite and by way of interjection, that I should not be surprised to see a number of them voting against the second reading of the Bill.

Mr. CORSER.—The Opposition would like to see it thrown out.

Mr. TUDOR.—No, but I should like to see some of the honorable member's party assisting us in amending it in certain directions.

Sir JOHN FORREST.—Those who say they do not wish to destroy the Bill, and yet attack it, are not very consistent.

Mr. FENTON.—The Treasurer has just been assured by the Government Whip that the second reading of the Bill will be carried, and he is consequently smiling. I can assure the House that any amendment that will tend to improve this Bill and to knock it into something like reasonable shape will have my hearty support. In my opinion, this Bill is

neither more nor less than a hollow sham. If the Ministry and their supporters, who are always prating about their sympathy for the "under dog," have any backbone at all, they will do their best to reduce the cost of living as a step which ought to precede every taxation measure. I urge the Treasurer, as a level-headed, thinking man, backed up by a strong party, to consider the matter calmly and soberly, and to try to persuade the erratic Prime Minister to bring down a measure to protect the people from exploitation, and remove some of the burdens which, if allowed to remain, will bring upon the Government consequences that always follow when the people are not treated as they ought to be treated.

Dr. MALONEY.—I think we ought to have a quorum. [*Quorum formed.*]

Mr. MANIFOLD (Corangamite) [9.32].—I am sure the Treasurer is to be congratulated on the way in which the Bill has been received from honorable members opposite, who hitherto have stumped the country promising the people that if they were returned they would tax war profits and everything else. Now, however, we find them very busy "slanging" this proposal of the Treasurer. I say straight away that, if I thought for a moment this Bill would bring in only £500,000 per year during the two years, I should regard it as not worth troubling about. However, my estimate as to the revenue is something like double that of the Treasurer. We have heard figures from the Leader of the Opposition and the honorable member for Melbourne (Dr. Maloney), supplemented, to a certain extent, by the honorable member for Maryborough (Mr. Fenton), indicating that, in Victoria alone, incomes have risen enormously. If those figures have been prepared on a fair basis, and are correct, will those profits not come within the operation of this Bill? The year 1914, as all who are connected with the country in any way must know, was one of the very worst years Victoria ever went through.

Dr. MALONEY.—The *Year-Book* does not bear out your statement, for it shows that 1902-3 was a worse year.

Mr. MANIFOLD.—In the Western District, 1914 was absolutely the worst year; and the dairying industry was in such straits that the State Government had to come to its assistance. But for

this, the industry to-day would have been in a very poor way. Some honorable members opposite have made speeches, not dealing with war profits taxation, but with the fixation of the prices of commodities, and the reduction of the cost of living. It is perfectly well known that the great rise in the price of meat has been caused to a very large extent by the drought. As to beef, the rise is owing to the great losses that occurred during the calving period; and if it is desired to fix prices, we should fix the price of the unborn calf at varying figures for the one-year-old, the two-year-old, and so forth. It is idle to suppose that any attempt to fix the price of beef will have any effect in reducing it. Victoria does not breed anything like sufficient cattle to keep the Melbourne market alone going, and stock has to be brought from other States at enormous cost. I am not now interested in cattle in any of the States, so that I can speak with some freedom. I have seen cattle coming down in a very low condition, at a cost to the graziers of £19 a head, and although they were a decent kind of bullock, the graziers will never get their money back. They have to go to New England and the Queensland border to buy stock, because it is impossible otherwise to get what is required for the Victorian market.

I shall leave the question of the profits made by warehousemen to other members to deal with, but I believe those profits have been enormous, and that they will be dealt with under this Bill. Those interested in woollen mills and kindred industries have also made large profits; and I cannot see why honorable members opposite are not prepared to tax them by means of this measure, the opposition to which, so far as I can see, comes largely from the friends of the manufacturers.

I do not think that very much revenue will be derived from the rural industries, especially in the more settled portions of Australia, but a fair amount will be realized, if the Bill remains in its present form, from leasehold properties in other States, more particularly in Queensland. I am interested in a leasehold property in that State, though I am not engaged in breeding cattle. I had my lesson in the cattle industry some years ago on a property on the Gulf; and I remember that it did not matter

whether we sold or did not sell, we never had more than 5,000 head. When things got very bad indeed, and we found there were only a few bullocks of five years old fit for market, we boiled the lot down, horns and all, and only realized 17s. 6d. per head. At the present time, as I say, I am not in the cattle trade, but am interested in wool. I am not growling at the proposed taxation as it affects wool, because the wool-grower gets his money and the profits.

Mr. FENTON.—It has gone up 50 per cent.—that is, woollen goods have.

Mr. MANIFOLD.—There has been, I know, an increase of 50 per cent. in the price of some kinds of wool compared with the pre-war rates; but in the case of other grades the increase has been nothing like that. In any case, even if wool generally had increased in price to that extent, it would be perfectly fair to take some of the increase back in taxation. Much wool in the Commonwealth is bringing a lower price to-day than it was prior to the war. If wool does not fall into one particular grade, and has to drop to a lower one, it brings 3d. per lb. less. I am not complaining of that; but it is a hardship that has to be borne. What will really be taxed will not be the increased profit on the wool, but the increased output on the property. If a man was shearing 5,000 sheep prior to the war, and, by cultivation or other means, is now able to carry 6,000, the whole of the return from the 1,000 sheep is to be taxed, and that, I submit, is not fair. If, however, the increased price per lb. of the wool was taxed, it would be a fair proposition.

I should like to deal more particularly with the question of cattle stations, of which I know something, in Queensland. In the case of one property on the Northern Territory boundary in Queensland, a start was made, when the drought began, with 17,000 head, and when the drought had finished there were 1,700. It was then felt to be no good carrying on the work under the then circumstances, and it was decided to go in for improvements. Fencing wire was carted to the property at a cost of £40 per ton, and a considerable amount of water was provided. In 1913-14 the proprietors were branding 2,000 calves, and in 1915-17 6,000 calves, an increase of 4,000. Under the Bill as it is now, this

4,000 increase will be taken as representing the profit for each year, or a total of £16,000 for the two years. The assessment is not made on the market value, or on the stock that is sold, but on the calves which are branded and many never see the market. If these people were hit with another drought, they would have no profit at all. This property consists of country which does not carry very much stock. There are 8,000 head of cows, 6,000 one-year old calves, 6,000 two-year olds, and 6,000 three-year olds, with 3,000 four-year old bullocks fit to sell, with 1,000 others, or 30,000 in all. They sell from 3,000 to 4,000 cattle off the property per year. A few cows, also, are sold, but the loss that takes place among the cows from time to time nearly wipes that item out altogether. Under the proposed tax these people would have to pay war-time profit taxation on a profit of £32,000, for calves and one-year-olds which may never see the market. That is a book profit only. Those are the kind of people we want to encourage to go out into this country. After paying their war profits tax, it would pay them very much better to take the whole of their 30,000 head of cattle off the place altogether, bring them down to the markets, and sell them, and leave the country vacant, because they would get from £120,000 to £130,000 for them. That is the sort of proposition you have to look to as regards the development of Australia. The value of leasehold property away out in this country is simply the value of the stock, and these people would be perfectly justified in selling the whole of their stock and throwing the property back on the hands of the Government if the Bill passes in its present shape.

Mr. FENTON.—Must the flocks and herds be brought up to a certain standard before the people can look for a reduction in the price of meat?

Mr. MANIFOLD.—Yes. If the honorable member toured Victoria he would find it almost impossible to buy any store or four-year-old cattle bred in Victoria, because of the drought period in which all the calves were lost. The only place we can get them from is Queensland, and there we are, to a certain extent, shut out.

Dr. MALONEY.—Did they not slaughter a lot of female sheep and cattle in 1914?

Mr. MANIFOLD.—In some places they had to kill off the old ewes in thousands to save the younger and more valuable ewes that were coming on.

Dr. MALONEY.—Did they not kill them for food?

Mr. MANIFOLD.—Decidedly. They sent a tremendous lot of the older ewes and cows to the market in order to keep the others on.

Mr. CONSIDINE.—Does the honorable member say that the shortage of cattle will adversely affect the export trade while the prices are kept up in Australia?

Mr. MANIFOLD.—The only way to export from the southern States is to be able to afford to pay more than the stuff will bring in the open market. The Queensland meat is commandeered at a certain price. It is very hard for the exporter to get hold of beef in this country, but he can get a certain amount of lambs. Beef in Queensland prior to the outbreak of the war was worth about 20s. per cwt., although it was pretty hard to get 20s. The last big sales which have taken place in Queensland have been at about 37s. 6d., with a bonus of 2s. 6d. per cwt., making about £2 per cwt. The war profit is the difference between £1 per cwt. and £2 per cwt.

Mr. TUDOR.—Apart from that, the skin and the offal are worth considerably more. The hide to-day is worth over £2 10s.

Mr. MANIFOLD.—But the breeder of the cattle is not getting it.

Mr. TUDOR.—Unfortunately, the consumer has to pay it.

Mr. MANIFOLD.—I am quoting prices at places which are not quite on the railway line in Queensland. The slaughterman gets the profit out of the hide and offal.

It is provided by sub-clause 11 of clause 15 that, if a business changes hands, the new owner, on applying to the Commissioner, can claim the right to carry it on as an old business, and get the pre-war standard, taking credit for the whole of the capital invested. Thus, if a property is worth £50,000, and it changes owners or is let as a whole, and the new tenant or owner puts in £10,000, he can claim 10 per cent. on a total of £60,000. That seems fair, but if the property is cut up and let to three different individuals the previous capital invested cannot be claimed, because it becomes a new business. It is very easy to get over

that difficulty by capitalizing the rental the various individuals are paying, and so arriving at the capital value of the money invested.

A clause which affects the development of Australia considerably is the average clause inserted by the honorable member for Capricornia (Mr. Higgs) in his Bill. By this a man who made a profit in one year, and was assessed on it, could set off against it any loss he made in the next year. The present Treasurer (Sir John Forrest) is opposed to this, because he claims that the Treasury should not be called on to refund what might amount to a considerable sum. Refunds are made under the Income Tax Act and Land Tax Act, sometimes extending over several years.

Sir JOHN FORREST.—Not for losses.

Mr. MANIFOLD.—Thank goodness they are made for overpayments, and sometimes amount to a considerable sum. There is, therefore, no logical reason why refunds should not be made under this tax. A man who makes a considerable profit this year with the good seasons that are going, may next year be struck by a drought in Queensland, and find practically the whole of his assets disappear.

Mr. FENTON.—The Melbourne Tramway Company had over £3,000 refunded for over-tax.

Mr. MANIFOLD.—Of course, there is no argument as regards the Treasury not being able to pay back the money.

Mr. POYNTON.—The Treasury do not make any refund for losses.

Mr. MANIFOLD.—They can refund it quite easily. If the whole of a man's profits disappear next year, and the whole of his assets into the bargain, he is entitled to a refund.

I know we are not going to get many concessions out of the discussion on this measure, and we shall have to make the best of it. I want the Bill to be fair in its incidence. I want it to hit all, and hit them all equally. I want to see a man who puts in his time, and runs a risk in developing the back country, given an opportunity to carry on. Ten per cent. is no good to a man in the good years out in the Never-Never, seeing that he has to run the risk of losing all his capital if he strikes a bad year.

A man carrying on two businesses may have to pay a war-time profit tax on one

and make practically nothing on the other. If he makes a profit of only £100 on one business, and a considerable war-time profit on the other, he has to pay the tax on the second, and is allowed no deduction for the other; but if he makes a loss on the one business, and a taxable profit on the other, he is allowed a deduction. I contend that unless he earns the percentage on both businesses he ought to be allowed to deduct one from the other, or amalgamate the two businesses, provided that both are carried on on the same lines.

If the Bill is going to pass, which I hope it is, I trust that an opportunity will be given to those affected to pay the tax either by war debentures or by inscribed stock. That will be a very great convenience to those who have to pay, many of whom have invested their money in the war loan.

Debate (on motion by Mr. Pigott) adjourned.

ADJOURNMENT.

AUSTRALIAN AND ENGLISH SOLDIERS.— WAR-TIME PROFITS TAX ASSESSMENT BILL: AMENDMENTS.

Motion (by Mr. Cook) proposed—

That the House do now adjourn.

Dr. MALONEY (Melbourne) [10.0].—This afternoon I had on the notice-paper the following question:—

With reference to the reported statement attributed to Brigadier-General Sir Robert McC. Anderson that General Sir Archibald Murray, recently commanding in Egypt, had told him that he (General Murray) would rather lose a division of other troops than a brigade of Australians, will the Prime Minister, in justice to General Murray, cable to him to ascertain if the statement is correct?

I think that, in justice to a gentleman who is not here to defend himself, the Minister might do what I ask. I believe that Brigadier-General Anderson has lied in attributing to this soldier a statement that he would not dare to repeat to him before his face. If General Murray has said, in other words, that he would prefer to see five British soldiers killed rather than one Australian soldier, I tell him that Australians do not want that sort of praise. Every returned soldier honours the English Tommy, and would be glad if they could be paid as well as he was. Our Australians do not want credit from a gimcrack brigadier-general. What knowledge of war has Brigadier-General

Anderson? Is not his title merely one of honour? He may be a splendid accountant, but he knows nothing about war. I do not think there is a man or woman in Australia who believes his vile insinuations against General Murray. I ask him to prove this statement. General Murray is known as one of the most dashing soldiers under the English flag. Has he not been given a certain duty because he is a man of resource, quick to act in moments of danger? Has not a town in Palestine surrendered to him, though I believe that he has since retired? When a gimcrack brigadier-general casts a slur on a soldier, he should prove his words. I think that Wellington would have had any man shot who dared to say that he would prefer to sacrifice five men for one other man of the same race. If General Murray said, in a moment of confidence over a glass of wine, or at a dinner, what Brigadier-General Anderson has repeated, the latter's action was despicable. I ask that a cablegram be sent to General Murray, asking if the infamous statement attributed to him by Brigadier-General Anderson is true.

Mr. HIGGS (Capricornia) [10.4].—I ask the Minister for the Navy why the Government are keeping secret the proposed amendments of the War-time Profits Tax Assessment Bill? The Treasurer asked honorable members to let him know what amendments they proposed to move, so that he might have due notice of them; and when I asked him if he would accord us the same courtesy, he replied that he would be happy to do so. In this morning's newspapers it was stated that the Government had considered certain amendments, but that the Prime Minister would not let the press have them until they were brought forward at the Committee stage. Why is this method of doing business adopted? Are the Government afraid of discussion? The Treasurer said this afternoon that it would be a mistake to give notice of the amendments before the second reading had been passed. It was said that Ministers would restore responsible government; but they do not seem to wish to take responsibilities upon themselves. Apparently they are willing to surrender their powers to the Liberal Caucus.

Question resolved in the affirmative.

House adjourned at 10.5 p.m.

Senate.

Thursday, 16 August, 1917.

The PRESIDENT (Senator the Hon. T. Givens) took the chair at 3 p.m., and read prayers.

DOCTORS AND LODGES.

Senator EARLE.—I desire to ask the Minister representing the Government the following questions:—

1. Has his attention been directed to a resolution carried by the Bendigo Political Labour Council, and published in the press this morning, which reads as follows:—

DOCTORS AND LODGES.

Bendigo.—The following resolution has been carried by Eaglehawk branch of the P.L.C.:—

"That this meeting expresses its disgust at the action of the medical unionists taking advantage of this time of national crisis to adopt the tactics of the extreme section of the I.W.W. by demanding higher wages, and threatening to strike if their demands are not conceded. That this meeting urges the National Government to take immediate action to suppress these enemies of society."

2. If so, will the Government consider the advisability of applying the doctrine of the Political Labour Council to all similar enemies of society?

Senator MILLEN.—I had not seen the resolution as read by the honorable senator, but I listened to its terms with a great deal of pleasure, as I deduce from those terms a determination on the part of that body to join with the Government in putting down strikes, which it regards as inimical to the national interests in time of war.

APPRAISEMENT OF WOOL.

Senator MAUGHAN.—Can the Minister representing the Prime Minister furnish the Senate with any further information regarding the question raised by the Rockhampton Chamber of Commerce the other day in connexion with the establishment of a wool appraising centre for that city?

Senator MILLEN.—The matter has been referred to the Wool Committee, which has been asked to furnish a report.

AUSTRALIAN IMPERIAL FORCE.

Senator BARNES.—Did the Minister for Defence notice in the *Age* of 6th August a statement by Brigadier-General Sir Robert Anderson to the effect that a new infantry division was in course of formation, and, if so, will he say whether it means a new infantry division in addition to the five or six divisions which we already have at the Front?

Senator PEARCE.—It does not mean a new infantry division in addition to the five divisions at the Front. It means that the reinforcements which are in England are being organized on a divisional basis.

STOCKHOLM CONFERENCE.

Senator FERRICKS asked the Minister representing the Prime Minister, *upon notice*—

1. Has his attention been called to a statement in the daily press of Tuesday, 14th August, to the effect that the British Press Bureau has issued a copy of a message from the Prime Minister of Australia regarding the Stockholm Conference?

2. Will the Minister read to the Senate a copy of the message?

Senator MILLEN.—The answers are—

1. Yes.

2. The message was as follows:—

"I am strongly of the opinion that the representation of Britain at the Stockholm Conference is most undesirable, and calculated to hamper the Allies in the prosecution of the war, and in deciding the terms of peace. It is impossible to reconcile representation at the Stockholm Conference with the war aims of Britain as stated by Mr. Lloyd George. I regard this Conference, at which 'peace cranks' of all countries, including Britain, and secret agents of Germany masquerading as pacifists and friends of Labour, will be gathered together, as a cunning trap set to catch loyal British Labour representatives, and through them, organized labour now supporting the war."

INTOXICATING LIQUORS.

Senator THOMAS asked the Minister representing the Minister for Trade and Customs, *upon notice*—

1. Is it a fact, as reported in the daily press, that the Minister for Trade and Customs has given as one of the reasons why there was not a total prohibition of imported liquors, as in the case of other luxuries, that by doing so the revenue would suffer to the extent of £1,750,000?

2. If the statement, as reported in the press, is correct, viz., that the prohibition of intoxicating liquors would mean the loss of £1,750,000 in revenue, will the Minister inform the Senate

who pays the £1,750,000—the consumer in Australia, or the citizens of those countries from which the intoxicating liquors come?

Senator RUSSELL.—The answers are—

1. Yes.

2. The honorable senator's studies in economics have doubtless led him to form his own conclusions on this much-debated economic question.

Senator THOMAS asked the Minister representing the Prime Minister, *upon notice*—

Is it a fact that the Government, by prohibiting to 30 per cent. the importation of intoxicating liquors have definitely placed intoxicating liquors in the category of luxuries, and not of necessities?

Senator MILLEN.—The honorable senator is aware that the question of the category in which intoxicating liquors should be placed is one on which public opinion is divided.

RABBIT SKINS.

Senator BARNES asked the Honorary Minister, *upon notice*—

1. Is it a fact that all rabbit skins have been called up for appraisement, and that the rabbiters get 1s. per lb. for them?

2. Do the Government then auction the skins at an advance of 50 per cent.?

Senator RUSSELL.—The answers are—

1. All rabbit skins except "coloured" skins must be sold to Government agents, who pay for them in marketable condition at rates from 2s. 3d. per lb. to 9d. per lb. for very low-grade skins approximately. The prices are nett, and the average price per lb. paid by Government agents is 1s. 6d. per lb.

2. The Government is supplying the hat manufacturers of the Commonwealth with nearly the whole of the higher grades of skins at cost price. The balance is sold by auction. While as much as 50 per cent. profit has been made on some lots, there has been an almost equally large loss on others.

ENEMY SUBJECTS: INQUIRY.

Senator PRATTEN asked the Minister for Defence, *upon notice*—

1. What are the numbers, positions, and periods of appointments of officials in New South Wales advising, controlling, and dealing with the internment, treatment, and departure of enemy subjects?

2. What is the total number of persons naturalized in Australia since 1st August, 1914, giving Germans and Austrians separately?

3. What is the number of enemy subjects who have left Australia since the war began, giving males and females separately?

4. Was an inquiry made into the general conditions then existing at the internment

camp at Holdsworthy, New South Wales, and, if so, whether the papers in connexion with such inquiry can be laid on the table of the Senate?

Senator PEARCE. — The answers are—

1. Such of this information that in the public interest can be made public will be furnished as soon as possible.

2. The following figures have been supplied by the Department of Home and Territories, which deals with naturalization:—The number of persons naturalized in Australia since 1st August, 1914, is 5,583, of which 1,638 are Germans, and 147 Austrians.

3. As pointed out to the honorable senator, in reply to his question of 1st August, the tabulation of this information would involve considerable time. There is a file with reference to each man, and all of these files would have to be examined to ascertain the total number who have left. The work thus entailed would be laborious, and it is considered not warranted. I may inform the honorable senator that the great majority of those allowed to leave Australia are persons who were interned, and who were released and repatriated under instructions from the British Government, in accordance with agreements with the German Government.

4. This cannot be done in the public interest, but the honorable senator may see the file confidentially.

PAPERS.

The following papers were presented:—

Customs Act 1901-1916.—Proclamation, dated 10th August, 1916, prohibiting exportation (except with Minister's consent) of sulphate of ammonia.

Post and Telegraph Act 1901-1916.—Regulations amended.—Statutory Rules 1917, Nos. 148, 152, 153, 154, 172, 175, 176.

Unlawful Associations Act 1916-17.—Regulations.—Statutory Rules 1917, No. 177.

ALLIES' PEACE TERMS.

Motion (by Senator FERRICKS) negatived—

That, in the opinion of the Senate, in the fourth year of the war, the time has arrived for the British Government to ascertain and make known the peace basis on which the Allies will be prepared to negotiate with a view to ending the war.

NATURALIZATION BILL.

SECOND READING.

Senator MILLEN (New South Wales)—Vice-President of the Executive Council [3.11].—I move—

That this Bill be now read a second time.

This short measure which I have to introduce to the attention of honorable senators is one to amend the Naturalization Act. It will do so, not by the introduc-

tion of any new principles, but by amending provisions designed to remove certain defects discovered in the existing law. The first of these defects which it is sought to remedy is one which arises from the terms used in our existing law which was passed in 1903. Prior to the passage of the Commonwealth Act, each State had its own law dealing with the subject of naturalization. When the Federal law was passed, it recognised aliens who had been naturalized under State law. In doing so provision was made for recognition by the Commonwealth of certificates of naturalization issued by the State. That was all right so far as the holders of those certificates were concerned, but it left out of consideration the children of such persons. They did not hold a certificate, though they were naturalized under a State law, and it was clearly the intention of this Parliament that they should follow the assumed nationality of their parents. The first amendment proposed by this Bill is designed to remedy that defect. The next proposal is one for tightening up the safeguards where an application is submitted for naturalization. Under the existing law, a certificate of character, if I may so term it, from one citizen is regarded as sufficient. Now, in the light of the experience gained during the last three years, it is considered that something more than that is needed, and this Bill makes provision for three certificates instead of one, whilst power is given to prescribe by regulation such additional requirements on the part of the applicant as may appear to the Minister, from time to time, to be necessary. The Bill will place no disability in the way of an alien who *bonâ fide* seeks and is entitled to naturalization; but it will make it a little more difficult for any one to attempt to assume citizenship in this country to whom it is not advisable to grant that privilege. Another provision in this Bill appears in our legislation for the first time. It will permit people who are disposed to protest against the naturalization of an applicant for the privilege of citizenship the opportunity to do so. Honorable senators will recognise that some private citizen, knowing that an application has been lodged, may be in possession of information concerning the applicant which it is desirable the Minister should know. Provision is made in this Bill to enable

such a person to place himself in formal communication with the Department so that his representations, or any information he may have to disclose, may be considered before the application for naturalization is finally dealt with. Another provision of this Bill is one which has been framed to meet a recent declaration of principle by Germany, that when one of the subjects of that country assumes naturalization under another power, he does not, by doing so, renounce citizenship of the country from which he comes. It is, therefore, proposed in this Bill that an applicant for naturalization shall not merely take the ordinary oath of allegiance, but shall also specifically renounce his allegiance to the country of his birth. Honorable senators will agree that that is a desirable and necessary provision.

Senator SHANNON.—That will not relieve the applicant from his oath to his native country.

Senator MILLEN.—Many of them do not make an oath in that sense. Many have left the country of their birth as minors. The difficulty is that in Germany, though these people may be naturalized here, they are held to be Germans and subject to German law.

Senator Colonel ROWELL.—Will this provision apply to all who are naturalized at the present time?

Senator MILLEN.—I cannot answer that at the present moment, but I shall endeavour to obtain the information before we deal with the Committee stage of the Bill. I have referred to the difficulty which has arisen from the use of the phrase "certificate of naturalization" rather than the word "naturalization," but there is another clause of this Bill which specifically deals with children and other persons naturalized by other means than by an application for a certificate of naturalization. For instance, a woman marrying a naturalized subject becomes naturalized herself, following the nationality of her husband. There is a clause in this Bill giving power for the revocation of certificates of naturalization. This is a power which I think is necessary. Whenever it is discovered that an alien has obtained naturalization by fraud, or is unworthy of the privilege, there will be power under this Bill to revoke his certificate of naturalization. Another provision to which I should like to direct attention is one which will give the right

to the wives or children of naturalized persons to divest themselves of British nationality. The necessity for this provision arises in this way: Where an alien obtains naturalization, and subsequently dies, his widow may desire to divest herself of the nationality assumed by her husband. Not many cases of this kind are likely to arise, but it is obvious that if people do wish to do that, we should give them the opportunity, not in their interests, but in ours, that it may be made quite clear which national flag they desire to live under. I do not anticipate that the provisions of the Bill will give rise to much division of opinion. I think that honorable senators will be fairly unanimous in regard to them, though they may form the subject of interesting debate. I have briefly explained the measure to honorable senators, and at the Committee stage I shall be glad to supplement what I have said if further information is sought by honorable senators to enable them to arrive at a decision upon any of its provisions.

Debate (on motion by Senator McDougall) adjourned.

PUBLIC SERVICE BILL.

SECOND READING.

Senator MILLEN (New South Wales—Vice-President of the Executive Council) [3.19].—I move—

That this Bill be now read a second time. This Bill deals with the Public Service Act, with the main provisions of which honorable senators are familiar. The purpose of this measure is to enable effect to be given to the declared policy of the Government to give preference to returned soldiers so far as employment in the Public Service is concerned. Honorable senators are aware that there are certain limitations placed upon entrance into the Public Service. It is sought by this Bill, not to open wide the Public Service to the admission of any returned soldier, but to open a door by which a returned soldier may, if competent, pass into it. The second clause is rather important. It amends section 2 of the principal Act so as to include amongst those referred to as returned soldiers members of the nursing service and of the Naval Forces. This amendment of the law is entitled to sympathetic consideration. The next provision to which I would direct attention

alters the provision in the existing law by which any one entering the Public Service must enter the lowest class of the Clerical Division. It is now proposed to allow members of the Expeditionary Force to be appointed to such class and subdivision as the Commissioner determines, which will be after the applicant has demonstrated by examination his fitness for the position sought. Another useful and important amendment deals with examinations. At present an examination is set for applicants for entrance to the Service. It is now proposed to give the Commissioner a little wider latitude in shaping the examinations, and provision is also made by which he can recognise as sufficient an examination authorized by a University or other public body. Thus, where the applicant can already show a certificate from a University or other public body; it will not be necessary for the applicant, if he is a returned soldier, to submit himself for further examination. Those matters relate to the permanent branches of the service.

As regards those who seek and obtain temporary employment, under the existing law there is a limit of six months during which they can be employed, and that period in certain circumstances can be extended to nine months. The Bill strikes out that limit in relation to members of the Expeditionary Force. If the applicant is suitable, and there is work requiring to be done, the employment can continue. At present admission to the Public Service is limited to those between the ages of sixteen and twenty-five. It is proposed now in the case of members of the Australian Imperial Force to extend the age limit to fifty-one years.

Senator FERRICKS.—Has the Bill any application to manual workers in the Public Service?

Senator MILLEN.—Yes, the temporary employees largely include that class.

Senator McDougall.—How if a man was over fifty when he enlisted?

Senator MILLEN.—Probably, if I asked that man his age, he would want to know whether I referred to his military or civil age. I thought forty-five was the limit of age for enlistment. We are allowing a liberal margin of six years above that.

Senator McDougall.—I know men in the Military Forces who are sixty.

Senator MILLEN.—We appreciate the spirit that has made men of that kind

give a wrong description as to age, but if a man enlisted and was passed as forty-five, and seeks employment in the Public Service, he is not likely to give a different age.

Senator McDougall.—In this case he has to give his real age.

Senator MILLEN.—If there is any trouble, it is of his own creating. The Bill goes on the assumption that those who enlist are within the military age. All the amendments of the law that I have outlined are in the direction of giving effect to the Government's policy of preference to returned soldiers, which will command not only the sympathy of the Senate, but, I believe, the warm sympathy and support of the community outside.

Debate (on motion by Senator McDougall) adjourned.

RAILWAYS BILL.

In Committee (Consideration resumed from 15th August, *vide* page 1059):

Clause 58—

(1) The Commissioner shall, when so directed by the Minister, or as may be required for the purpose of supplying information to the Parliamentary Standing Committee on Public Works, have investigations, inspections, and surveys made of any proposed railway route.

(3) The expenditure incurred by the Commissioner in making investigations, inspections, and surveys at the direction of the Minister shall not in any case exceed the sum authorized by the Minister for the purpose.

upon which Senator Earle had moved by way of amendment—

That before the word "surveys" in sub-clause 1 the word "preliminary" be inserted.

Senator GRANT (New South Wales) [3.27].—The work of constructing railways, so far as the Commonwealth is concerned, is yet in its infancy. I believe later on the Commonwealth will take over the whole of the railways of Australia, and probably, following on that step, the construction of all railways will be under the control of this Parliament. It is of the first importance that before any money is expended in preliminary surveys Parliament should have some knowledge of the work proposed to be done. Later on, I suppose, the Commonwealth will be confronted with a proposal to construct a railway from Oodnadatta to connect with the line running south from Darwin, and the preliminary survey of that route, to

be of any value, would involve the Commonwealth in considerable cost. That is only one of the probable lines that will later engage our attention. The Minister has given us no real ground for objecting to place before Parliament the reasons why a preliminary survey should be made. Before I agree to the clause as it stands, I want to be assured that there is no other way out of the difficulty. I believe there is a way. The Minister must get information from some source or other to entitle him to authorize the Commissioner to make a preliminary survey, and if everything is fair, square, and above board there should be no objection on the part of the Minister to place that information before Parliament. If members of Parliament were convinced that a certain railway was required, I do not think they would offer any serious objection to a survey being made.

Senator O'KEEFE (Tasmania) [3.31].—Unfortunately, I was unable to be present when this clause was under consideration yesterday; but I understand that Senator Needham, on my behalf, took certain objections to it. I object to it because it places too much power in the hands of the Minister.

Senator RUSSELL.—I am accepting the amendment to insert the word "preliminary" before the word "survey."

Senator O'KEEFE.—The clause will still confer greater power on the Minister than is desirable in a purely machinery Bill, because the Minister will still have authority to order a survey, and no survey of any kind can be undertaken without certain expenditure. We all remember the keen discussions that took place in the Senate on the original proposal to vote £20,000 for a trial survey of the east-west railway. At that time it was argued that if Parliament became committed to an expenditure of £20,000 for the survey, the Legislature would be pledged to carry out the work, and the project was hung up for a long time on that account. In course of time, I, with a number of other senators, changed my mind, as the result of a report by the late Lord Kitchener as to the necessity for the line for the rapid transfer of troops from one part of Australia to another. I take the same objection now to the clause under discussion. I object to any Minister having authority to order a survey before the proposal is submitted to Par-

liament. What objection can any Minister have to this course? If he has power to order a preliminary survey, and it is made, Parliament will have to meet the expenditure, and it will be argued that Parliament is then in honour bound to go on with the work.

Senator SENIOR.—But the amount required would be placed on the Estimates.

Senator O'KEEFE.—Once the money had been spent, very few members would care to vote against the line on the Estimates. I assure the Minister that I am not speaking from any party standpoint, and that no party question is involved in my objection to the clause. It would be far better for the Minister to bring his proposals before Parliament before incurring any expenditure in connexion with a new railway.

Senator RUSSELL.—What is a new railway?

Senator O'KEEFE.—A branch line might be regarded as a new railway. I would rather not vote against the clause, and I suggest that the Minister should eliminate the words "and surveys".

Senator RUSSELL.—The Commissioner may send his officers on what is known as a "flying survey" prior to making any recommendation to the Minister regarding any particular route. Surely you do not want to prevent that being done!

Senator O'KEEFE.—Parliament, in my opinion, should have an opportunity of discussing all proposals for railway surveys.

Senator RUSSELL.—When a railway engineer simply traverses the country for the purpose of mapping it out, he makes what is called a flying survey, and that would be included in your objection.

Senator O'KEEFE.—The clause, as it appears in the Bill, does not indicate that. If it is passed in its present form, there will be nothing to prevent the Commissioner, when so directed by the Minister, to order any amount of expenditure for a survey.

Senator DE LARGIE.—But Senator Earle's amendment provides that it shall be limited to a "preliminary" survey.

Senator O'KEEFE.—Well, what is the definition of a preliminary survey?

Senator DE LARGIE.—Merely travelling over the country.

Senator O'KEEFE.—This will still necessitate a considerable expenditure.

I object, even, to the word "preliminary" being inserted, because there is not the slightest necessity to give the Minister power to direct the Commissioner to make a survey until authorized by Parliament.

Senator THOMAS (New South Wales) [3.40].—I believe quite as strongly as does any honorable senator, that Parliament should exercise full control over public expenditure. If once we surrender that privilege we shall abdicate one of our most important functions. I listened, with a good deal of interest, last evening to the arguments adduced by those who are supporting the amendment. Their chief objection to the clause was that it empowers the Minister to incur expenditure upon the survey of a line without the authority of Parliament. Personally, I am surprised that the Honorary Minister should have signified his willingness to accept the insertion of the word "preliminary." The clause merely empowers the Minister for the time being, to utilize the services of the Commissioner to obtain a survey of any railway route. Now the survey of a line cannot be undertaken without an expenditure of public money, and the Minister can secure the money only by having it placed upon the Estimates and voted by Parliament or by availing himself of the Treasurer's Advance. We all know that the principal object of the Treasurer's Advance is to permit of the completion of works which have already been undertaken, and the cost of which has exceeded the estimate. The Advance is also intended to cover unforeseen contingencies. If, for example—as unfortunately happened some time ago—a vessel belonging to the Department for Trade and Customs had the misfortune to founder, the Treasurer, out of his Advance account, would be able to anticipate a grant by Parliament to the widows and families of those who had perished, and thus avoid the possibility of their suffering destitution. That is why the Treasurer is voted an advance of £250,000. I admit that the honorable gentleman might conceivably enter into an unholy alliance with the Minister for Works and Railways, to enable the latter to obtain a railway survey. If the majority of members of both branches of the Legislature supported the project, they would ratify his action, if they did not, they would decline to ratify it. The pro-

per person to authorize the carrying out of a survey is the Commissioner.

Senator O'KEEFE.—No matter what expenditure may be involved?

Senator THOMAS.—When I was Minister for Home Affairs, we had no Commonwealth officers who were capable of undertaking that class of work, and, as a result, I had to go outside the Department and obtain the services of a contractor. To-day, however, the position is quite different. We now have officers who are thoroughly qualified to carry out railway surveys, and Parliament is merely asked to authorize the Commissioner to undertake them. But even if the clause be left out, there will be nothing to prevent the Minister from ordering a railway survey to be undertaken and from securing the necessary funds for the work from the Treasurer's Advance. I think that the proper person to make these surveys is the Commissioner, if he has the requisite staff. Possibly he might not have the necessary staff, and the Government might have to ask a private contractor to do the work. I venture to say that no Treasurer will grant much money from his Advance account unless he feels absolutely certain that he has a majority in both Houses.

Senator NEEDHAM (Western Australia) [3.51].—I presume that the amendment before the Committee is that of Senator Earle, to insert the word "preliminary" before the word "surveys." Yesterday, in the absence of Senator O'Keefe and at his request, and agreeing with him, I moved the deletion of the clause. But, on reconsideration, I believe that it would be going rather too far to do that. I am inclined to agree with Senator Earle, after listening to his speech last night, that we might reach a better position by retaining the clause with one or two amendments. At the same time I am not inclined to support the amendment of Senator Earle, but I am prepared to move the omission of the words "and surveys." That would mean that the Commissioner and the Minister would have the power to make an investigation and an inspection.

Senator RUSSELL.—What is the difference between an investigation and a preliminary survey?

Senator NEEDHAM.—There is a vast difference.

Senator RUSSELL.—They generally make them by riding in a motor car.

Senator NEEDHAM.—I am not concerned as to whether they make a preliminary survey by means of a motor car, as the Minister states, or whether they make a flying survey by walking over the country, as Senator de Largie says. What I am concerned about is that the Minister shall not have the power to expend money on the survey of a railway route without the consent of Parliament; but I realize that before it can authorize a survey to be made it will be necessary for information to be supplied to it in connexion with the proposal for a survey.

Senator SENIOR.—Do you know that in connexion with surveys there are frequently alternative routes?

Senator NEEDHAM.—Decidedly. If we allow the clause to pass as it is, and the Minister has spent money on the survey of a route and comes to Parliament then, I venture to say that six or seven alternative routes may be suggested by Parliament to be surveyed, despite the fact that a route has been surveyed for the Minister. Senator Thomas, who gave us his experience as a Minister of the Crown, preached a homily on the Treasurer's Advance account.

Senator RUSSELL.—It is not a route which will be submitted to Parliament, but the Commissioner will probably have a flying survey made of every available route.

Senator NEEDHAM.—I do not wish to deal with probabilities but with actualities.

Senator RUSSELL.—If a survey has to be made from point to point, the officers will examine alternative routes, which may number six, and then the Minister will submit the best route to Parliament.

Senator NEEDHAM.—After a route has been surveyed.

Senator RUSSELL.—After a flying survey has been made.

Senator NEEDHAM.—The word "flying" does not appear here. As the clause stands a survey would be made, but it would not be a flying or preliminary or temporary survey. There is no qualification of the words "and surveys." When the money had been spent, Parliament would be asked to indorse the proposal. Senator Thomas has said that if the Minister who authorized a survey to be made has a majority behind him, it will be all right, otherwise it will be all wrong. His logic is extraordinary. It will not matter what the Minister may do, be it right or

be it wrong so long as he has a majority behind him. I was surprised to hear such an argument from a gentleman who, on two or three occasions, has been a Minister of the Crown. Was it his rule to do something as a Minister, provided that he had a majority at his back in Parliament? If that has been his custom, I sincerely hope that the present Ministers will not accept the gospel preached by him, and that he himself will never again get on to the Treasury bench.

Senator THOMAS.—Have you ever known a Minister to do much without a majority behind him?

Senator NEEDHAM.—I never knew the honorable senator, as a Minister, to do anything, good, bad, or indifferent, legislative, administrative, or otherwise. I generally discovered that he was absent when he was wanted. I suggest that if the Committee will insert the word "and" before "inspections" and delete the words "and surveys," it will give the Minister and Commissioner all necessary power.

Senator EARLE.—How can an investigation be made without a preliminary survey? It cannot be done.

Senator O'KEEFE.—The Public Works Committee are making investigations all the time.

Senator NEEDHAM.—What is an investigation and what is an inspection? Is not an inspection a survey, in a fair sense of the term?

Senator EARLE.—If an inspection means a survey, why strike out the words, "and surveys"?

Senator NEEDHAM.—Because those words give the Commissioner or the Minister too much power without consulting Parliament. If they are retained the expense will have been incurred before Parliament can be consulted.

Senator SENIOR.—Then qualify the words.

Senator NEEDHAM.—There is no need to make a qualification if we delete the words "and surveys."

Senator SENIOR.—Yes, there is, because a survey is necessary.

Senator NEEDHAM.—Is not an inspection a survey?

Senator SENIOR.—No.

Senator NEEDHAM.—Is a survey an inspection?

Senator SENIOR.—No.

Senator NEEDHAM.—I think that if we leave out the words "and surveys,"

it will enable the Minister to come down and give Parliament all the information it desires, and, afterwards, it can authorize a survey of the proposed line.

Senator PLAIN (Victoria) [4.1].—I feel, with some members of the Opposition, that this clause gives rather too much power to the Minister, regardless of his qualifications or integrity. In the old days in Victoria when the Minister had this power, surveys were made and liabilities incurred to the extent of £300,000 or £400,000, and we are still paying interest on the dead money. If we give a similar power to the Commonwealth Minister, and a request for a survey is made, knowing the circumstances which apply to our territory, the cost will exceed that sum.

Senator EARLE.—The insertion of the word "preliminary" will get over that difficulty.

Senator PLAIN.—No. I am not in favour of that. I ask honorable senators to take into their consideration the system which the Victorian Parliament has adopted of late years. It instituted a Railways Standing Committee, which is practically similar to the Commonwealth Public Works Committee. The Committee are first asked to go and make an examination of a route to find out the possibilities of a railway and ascertain the necessary conditions.

Senator MILLEN.—Is not some estimate of the cost put before the Committee by the officials?

Senator PLAIN.—No. First of all a proposal is submitted to the Committee for inspection and report.

Senator MILLEN.—Do not the Committee get information and estimates of the cost?

Senator PLAIN.—The Committee find out exactly the prospects of a railway, the production or mining resources of the district, or anything which is likely to contribute to the well-being of a railway. If the Committee think well of the proposal, they submit a recommendation to the Parliament.

Senator MILLEN.—Without getting an estimate of the cost?

Senator PLAIN.—In the first place the Committee find out everything pertaining to the rural surroundings. Their engineer may be asked to go over the route with them, but it is very seldom that he does.

Senator MILLEN.—Surely you will admit that a Committee cannot make a report as to the prospect of a railway unless they have had first an estimate of the probable cost?

Senator PLAIN.—The Committee know exactly where the railway is likely to be placed and the country to be served within a radius of 10 or 12 miles on either side.

Senator RUSSELL.—Do you know that a location surveyor is working ahead of the Committee all the time?

Senator PLAIN.—It is just possible that a surveyor may go over the route and make a survey with his eye. The Government are here asking that the Minister shall have the power which Ministers were given in the olden days in Victoria.

Senator DE LARGIE.—Not if Senator Earle's amendment is agreed to.

Senator PLAIN.—A "preliminary survey" may be interpreted in very many ways. I am not prepared to give this power to any Minister. I think it would safeguard the clause if we left out the words "and surveys." I have already said that, as a result of giving a Minister such power as is here proposed to be given to the Minister for Works and Railways, Victoria has been saddled with a debt for all time of between £300,000 and £400,000.

Senator SENIOR.—Is it not possible that the surveys to which the honorable senator has referred made it possible to avoid greater expenditure elsewhere.

Senator PLAIN.—That is not so. Honorable senators would merely have to look at the proposed routes that were surveyed in those days to find that they ran in all directions, and frequently crossed each other. They were made merely because influence was brought to bear upon the Minister of the day to have surveys made for the benefit of certain individuals. That kind of influence will always be at work, and as we are starting a new Department of Railways in the Commonwealth we should do what we can to guard against it here.

Senator THOMAS.—How will the striking out of the clause meet the difficulty?

Senator PLAIN.—The difficulty will be met by submitting propositions to the Public Works Committee. They can be advised as to the route proposed, and may be asked to report upon the minerals, timbers, or agricultural resources of the

district that would be served by the construction of a line over that route.

Senator MILLEN.—And they would have an estimate of the cost.

Senator PLAIN.—No. The Railways Standing Committee of Victoria is advised as to what a line is likely to cost by the route outlined to them.

Senator EARLE.—How can that be done without a survey?

Senator PLAIN.—It can be done.

Senator DE LARGIE.—Without even a preliminary survey?

Senator PLAIN.—Yes.

Senator MILLEN.—Then I am not surprised that the Victorian railways are not paying.

Senator PLAIN.—They are paying, although, as I have said, they have to carry a dead loss of between £300,000 and £400,000 spent upon useless surveys. There is no reason why the Government should not have power to ask the Public Works Committee to report as to the possibilities of the proposed line. The Committee could submit its recommendation to the Minister, who would then submit the proposition to Parliament, and secure permission to go ahead with the survey. We should, in these circumstances, have some assurance that a proposed railway is likely to be a payable proposition. Under the clause, as it stands, influences may be brought to bear upon a Minister to undertake the survey of a particular route, and a few weeks later other influential persons may point out to him that a railway by that route would be an unprofitable undertaking, and thereupon another route would be surveyed. The kind of influence to which I have referred has always been at work, and I do not think that human nature has so much improved that we have now no need to fear it.

Senator REID.—The influence referred to has been exercised just as much in Parliament as with Ministers.

Senator PLAIN.—I admit that.

Senator REID.—Then how is the honorable senator to prevent it?

Senator PLAIN.—We cannot entirely prevent it, but we may restrict it to some extent. I am not satisfied with the power given to the Minister by the clause as it stands.

Senator MILLEN (New South Wales—Vice-President of the Executive Council) [4.10].—With all deference to honorable senators with whom I am at variance on

this question, I cannot help thinking that we are somewhat prone to strain at gnats while we swallow camels. I have listened this afternoon to an almost pathetic appeal not to grant power to a Minister to spend a few thousand pounds, knowing that the appeal came from gentlemen who, but a little time ago, were shouting "Hallelujah" because a Prime Minister had spent £2,000,000 or so without the approval of Parliament in a shipping deal. There is no fixed principle to enable us to decide what power we should give to a Minister. If a Minister feels that he is doing right, and is prepared to take the responsibility of his action before Parliament, he can do anything. I remind honorable senators of the alternatives which are before the Committee. The first is to put the Minister in possession of information by investigation to submit a proposition to Parliament, and the other is to come down to Parliament and ask it to initiate the proposal. More frequently than otherwise when such matters are submitted to Parliament, we have had the complaint that there is not sufficient information supplied to enable it to make up its mind. If we adopt the amendment, this is what is going to happen: A deputation comprising the most esteemed residents in a given district will wait upon the Minister.

Senator GRANT.—These are the land sharks.

Senator MILLEN.—Yes, the gentlemen who so frequently come under the notice of my wideawake friend. They will deputatize the Minister to run a railway through a given district. He has to do one of two things. He must make an investigation to see whether the proposition is a sound one, or, as honorable senators supporting the amendment suggest, he must come down to Parliament and say, "Gentlemen, I do not know anything about it, because you will not permit me to inquire into it, but I ask you now to say whether you approve of the proposal."

Senator PLAIN.—That is not the amendment. A proposal may be referred to a Committee.

Senator MILLEN.—I have stated the alternatives in their naked form. I shall come presently to the Committee referred to by Senator Plain. It is an absolutely common-sense proposition that before asking Parliament to approve of a certain railway proposal, the Minister shall make

an inquiry into it, and be in a position to put the pros and cons before Parliament. The alternative, as I say, is that he should say to Parliament, "I have been invited to bring forward a railway proposition. I do not know anything about it myself. I have been told a number of favorable things concerning it by those living in the district. You have left me without any power to make an investigation, and I come down now, ignorant myself, to a Parliament equally ignorant, and ask it whether the work should be gone on with or not." Before Parliament is asked to say whether a survey shall be undertaken, it should be informed as to whether the prospects are such as to justify even that expenditure. Senator Plain, who is to be complimented upon the Scotch persistency with which he declined to answer a simple question, has referred to the Victorian Railways Standing Committee, of which, I understand, he was a very useful member. When I asked the honorable senator whether that Committee, in making an investigation into the prospects of a railway proposal, had before it an estimate of the probable cost, he rather side-stepped the question, and went on to say that it made a report to the Minister as to the prospects of a proposed line. No Committee could make a valuable report as to the financial prospects of a line unless it was informed as to the capital involved in its construction.

Senator NEEDHAM.—The amendment I suggest would get over that difficulty.

Senator MILLEN.—I admit that Senator Needham's amendments always do get over difficulties. We have in New South Wales a Public Works Committee very similar to the Railways Standing Committee of Victoria. But the members of that Committee invariably question departmental officers as to the probable cost of any proposal. Having ascertained that, they seek for information as to the probabilities of revenue, and upon that make their report. I remind honorable senators that action is proposed under the clause not merely for the information of the Minister, but as may be required for the purpose of supplying information to the Parliamentary Standing Committee on Public Works. How can we ask even such a Committee to inquire into a railway proposal unless the officers of the Railway Department are in a position to place before the members of the Committee the information which they must have bear-

ing on the technical and financial side of the proposition? The only question at issue is whether we should allow the Minister to obtain this information. I do not believe that any Minister would go to the extent of having a complete and thorough survey made without first seeking the opinion of Parliament.

Senator PRATTEN.—He would have power under this clause to do so.

Senator MILLEN.—Suppose he would. Have not honorable senators given ten times greater powers to Ministers even during this session? I ask them to consider, if they will not allow the Minister to obtain this information with which to make a start with a proposition, to whom are they going to give the power? It must be given to some one.

Senator PRATTEN.—There is a good deal of difference between information and a detail survey.

Senator MILLEN.—I do not see the word "detail" in the clause. With respect to the suggestion that the clause should cover only a "preliminary" survey, I suggest that the use of this word would make no more difference in the clause than a chip does in porridge. If Parliament is not supplied with the information provided for under this clause, as the result of some proper investigation of a project it must depend upon such statements as are made by the advocates of the line. Senator Plain has referred to instances of unnecessary expenditure incurred by Ministers in order to placate supporters. We can admit all that, but there were peculiar circumstances in those days. If it is urged that those circumstances may occur again, I counter that with a statement based on the experience in my own State, where, when such matters were left originally to Parliament, there occurred something as near to log-rolling as I can imagine, when the supporters of one line stood in with the supporters of another in order that, by mutual assistance, each might obtain that which neither could secure alone. All I ask is that one of two things be done—either that Parliament itself devise means by which it can get the information to enable it to arrive at a decision, or that the Minister be put in a position to make the investigations in order that he may be able to furnish estimates before he can ask Parliament to say whether or not the project can be carried through.

Senator DE LARGIE (Western Australia) [4.21].—I cannot understand the frame of mind into which Senators Needham and Plain have worked themselves. Apparently, they are ready to accept "investigations" and "inspections," but they discover terrible obstacles to accepting "preliminary" surveys. They take a much greater responsibility if they are willing to trust the Minister to have investigations and inspections made. "Investigations" may mean the appointment of a Royal Commission to go into every aspect of the proposed railway. "Inspections" may mean the appointment of a body of engineers to see if it is possible to build a railway through the proposed country. Senator O'Keefe answered his own contention by his own speech. He referred to the time when the survey of the transcontinental railway was discussed in this chamber, and turned down time and again because of the possibility of Parliament being pledged to the main work if it agreed to an expenditure of £20,000 for the first survey. Surely, Senator O'Keefe, who is usually logical, must see that if Parliament is not to be pledged by any preliminary survey or investigation the responsibility should be cast upon the Government of the day, and that is what this clause undoubtedly means. It would be better, therefore, to have the preliminary survey free of parliamentary consent, leaving it open for Parliament afterwards to throw the whole matter out if it thought fit. Senator O'Keefe, apparently, wants to cling to the old method which hung up the transcontinental railway proposition for so long in its initial stages. He tried to justify his change of attitude on the east-west line by saying that he accepted the word of the late Lord Kitchener, who came to Australia some time after the Survey Bill had been once or twice rejected, and gave an opinion on the question of strategic railways. But Senator O'Keefe had all that information before ever Lord Kitchener came here. We had the opinion of several military men, including General Hutton and General Edwards, on that aspect of the matter. The honorable senator's excuse for reversing his vote, therefore, will not hold water. We cannot do better than accept the amendment, which will confine the surveys to the cheapest possible form. There has been some discussion as to the meaning of a preliminary survey. What is a flying

survey or a trial survey? Surely the words have enough meaning to be understood by any reasonable man. A preliminary survey should mean a survey undertaken by a body of surveyors sent out in the most preliminary way to investigate the country, without undertaking the usual complete work of a survey such as taking levels, and so forth. Senator Earle's proposition is the only way to get over the difficulty, and Senator Thomas showed that without any clause of this kind it was possible for a Minister to spend money galore. It is better for Parliament to know that these things are being done in accordance with parliamentary consent than for a Minister to have and exercise power whether Parliament likes it or not. I support the proposal, which is so eminently reasonable that I cannot understand how there can be any objection to it.

Senator FERRICKS (Queensland) [4.27].—While the proposal to insert "preliminary" removes some objections, I take the same view of the clause as I did yesterday, that while it may be applicable to the construction of railways in a State, it has no application to the construction of railways in Federal territory. All that Senator Millen said is true, and we know those things did occur, but that was in connexion with State railways. Many of the phases of agitations for the construction of railways in a State would not apply to railway construction under Federal control, because we shall not be building railways in so many directions, while the few we do build will be national railways, and part of a big system.

Senator REID.—Shall we not be putting down branches to supply the main lines?

Senator FERRICKS.—The Federal Territory is so small that the idea of running branches into the States is just where the danger comes in. Although I was not here at the time, I take it that the delay in the passage of the Survey Bill for the east-west line was due really to opposition to the construction of the line itself. In Queensland, five or six years ago, when it was proposed to build a great western railway, about 1,200 miles in length, a feature, or trial, or preliminary survey was made, as Senator Russell said, by relays of motor cars. That was followed by the permanent survey. The first thing agitated for by members of railway

leagues is a trial survey. The argument we used to advance on railway leagues and in the country newspapers was, "Get the trial survey made, and that is half the battle." It involves a certain amount of commitment to construction. In Commonwealth railway construction, State oppositions and jealousies would come in if it was proposed to construct branch railways into any State or States, but these would not apply to a line within the boundaries of a State. I still hold the opinion that this part of the clause was lifted from some State Act, as it is entirely out of place in a Federal law. On the question of whether the Oodnadatta railway should be extended to meet the line at Katherine River, a matter of policy is involved, and before any preliminary steps are taken in that direction Parliament should authorize the Commissioner to obtain the necessary information.

Senator THOMAS.—The honorable senator is logical, but if this clause is eliminated, cannot the Minister still do all these things?

Senator FERRICKS. — Senator O'Keefe answered that interjection a little while ago. He said the Minister would do it, but if we give him the power, we are authorizing him to do it, and we should not. Senator Thomas and Senator Millen referred to the kind of Minister that will do anything; if he is that kind of Minister, the responsibility is on him, and not on Parliament. The responsibility should rest with Parliament, and the Minister should ask Parliament to pass a motion referring the question to the Public Works Committee. The Committee could then obtain all the data by calling as witnesses the experts of the State Railway Departments. The information would come before Parliament, which could then consider the question as a matter of policy, and also from the point of view of finance. I cannot see exactly what is to be done with the clause.

Senator THOMAS.—To express your views you must move to put in "No survey shall be made unless Parliament is first consulted."

Senator FERRICKS.—Investigations and inspections, even without surveys, are so widely embracing that even there Parliament should first give its mandate. I have been trying to knock the clause into shape from my point of view, but have not been able to arrive at a satisfac-

tory result yet. As an improvement, I would support the insertion of the word "preliminary," which would allow of a feature or trial survey, but still it does not remove my objections.

Senator RUSSELL (Victoria—Honorary Minister) [4.35].—Senator Ferricks, apparently, is not prepared to trust anybody; but I point out that the clause does place some limitation upon the powers vested in the Minister, and Parliament will have some control. I submit that Parliament is entitled to the fullest information upon all projects, and, in this connexion, I draw attention to the fact that under the Commonwealth Public Works Committee Act it is provided in section 15 that no public work of any kind except such works as have been authorized by Parliament shall be undertaken before investigation, and that every such proposed work shall, in the first place, be submitted and explained in the House of Representatives by a Minister before it can go before the Public Works Committee for investigation.

Senator NEEDHAM.—If the cost exceeds £25,000.

Senator RUSSELL.—That is so.

Senator O'KEEFE.—That is a very important addendum.

Senator RUSSELL.—In the case of the Public Works Committee, Parliament trusts the Minister up to £25,000, but, in this case, if a Minister desires to carry out a work which, including survey and everything else, might not cost more than £100, it will be necessary for him to get parliamentary authority. In some instances, the proposed work might be merely a deviation or a siding to a wheat silo, a line, perhaps, 100 yards or 200 yards in length, still the Minister would have to come down to Parliament with a Bill for the survey.

Senator NEEDHAM.—You know that that is not the fact.

Senator RUSSELL.—Just imagine how this clause, if amended as desired by Senator O'Keefe, would operate in the case of a railway to East Gippsland. There might be half-a-dozen different routes, and, naturally, the Minister would want flying surveys made from different points before he ascertained from his responsible officers the easiest and best route to recommend to Parliament. How could he get this information except by means of flying surveys? This is the ordinary procedure, and it is the only one I

know of. The only alternative, as Senator O'Keefe indicates, is to strike out the clause and insert a provision setting out what a Minister shall not do. In the Public Works Committee Act, subsection 3 of section 15, states—

The explanation shall comprise an estimate of the cost of the work when completed. . . .

How could a Minister explain the estimated cost of a completed work without a survey? I have no doubt that if a Minister came down with incomplete information, nobody would be more ready with their criticism than those honorable senators who are now objecting to this provision in the Bill. If information is wanted it must be sought from responsible officers who should be trusted. If we cannot trust our officers, whom can we trust? I ask the Committee to be very careful. I have accepted the amendment suggested by Senator Earle to insert the word "preliminary" before "surveys," as I recognise that, while it is not a definite and distinct limitation of the power of the Minister, it is clearly an indication that Parliament will not permit the Minister, without parliamentary authority, to authorize a complete survey.

Senator O'KEEFE (Tasmania) [4.41].—It appears to me that the discussion has missed the point which I and others have been endeavouring to make. We object to any Minister having absolute power to authorize the Commissioner to make a survey. Imagine a Minister for Railways like, say, the present Treasurer, who has been associated with some very important public works in his own State, and who once remarked in a jocular way, "Oh, what's a million?" Suppose, as I have said, we had in office a Minister for Railways like the Treasurer, and that he desired another railway to connect up the east-west line with the Melbourne-Sydney line, or a branch line to some other point. Under this clause, he would have authority to order that a survey be made.

Senator THOMAS.—He would have to get the money from Parliament.

Senator O'KEEFE.—Parliament might not be in session until after the expenditure had been incurred.

Senator GUTHRIE.—He would have to get the consent of his own State.

Senator O'KEEFE.—If that is so, what is the good of the clause in the Bill?

Senator THOMAS.—For the purpose of the honorable senator's argument he may use the Northern Territory.

Senator O'KEEFE.—The Minister could, I presume, get the consent of his own State by arrangement, and he could then have the necessary survey made. Of course, Parliament would have power to refuse to pass the item covering the expenditure, but while members might not approve of the course that had been adopted, they might feel obliged to ratify the action of the Minister, because they were supporters of the Government. I agree that it might be necessary to have certain investigations made, but I submit that if the clause be deleted a provision that might be necessary can be inserted in a different form. I understand Senator Needham intends to move the omission of the words "and surveys." The clause in its amended form would still give the Minister power to have certain investigations made. The Public Works Committee has been mentioned by the Minister, but I do not think that it was ever contemplated that that body should make investigations for Commonwealth railways, except, perhaps, in Federal territory. But it is not likely that a State would disagree with any proposed expenditure by the Commonwealth on a railway through its territory.

Senator GUTHRIE.—Unless the line would come into competition with one of its own railways.

Senator O'KEEFE.—Exactly. As I have already remarked, the Minister may be a man of large ideas, and consequently it is necessary that Parliament should exercise a greater control over him than is provided for in this clause. Otherwise he will have the power, of his own volition, to direct a survey to be made in the absence of parliamentary authority. In my opinion, that is too great a power to place in his hands.

Senator THOMAS (New South Wales) [4.53].—I confess that I do not appreciate the action of the Minister in agreeing to the proposed insertion of the word "preliminary." If that word be inserted, am I to understand that the Minister will be able to order a preliminary survey of a line to be undertaken without being responsible for his action to Parliament?

Senator NEEDHAM.—Undoubtedly.

Senator THOMAS.—I do not believe in the Minister being permitted to expend

even £10 without Parliament having the right to criticise his action.

Senator O'KEEFE.—This clause invites him to do that.

Senator THOMAS.—It does nothing of the kind. As the clause stands, he cannot spend £10 either on a preliminary or a permanent survey without being answerable for his action to Parliament. But if we insert the word "preliminary" he will be able to order a preliminary survey to be carried out, and after it has been completed he will be in a position to stand up here and plead, "I am empowered by Statute to authorize a preliminary survey, and consequently my action cannot be called into question." Consequently I am opposed to the insertion of the word "preliminary." The Honorary Minister has stated that Parliament has already granted to two Ministers the right to spend up to £20,000 without reference to the Public Works Committee.

Senator RUSSELL.—I simply used that fact as an illustration.

Senator THOMAS.—I understood the honorable senator to say that a Minister could spend up to £20,000 without the consent of Parliament.

Senator RUSSELL.—Without first referring any public work to the Public Works Committee.

Senator THOMAS.—But a Minister cannot spend £10 without first securing the approval of Parliament.

Senator RUSSELL.—That is so.

Senator THOMAS.—I desire that that condition of things shall be continued. Senator O'Keefe and Senator Ferricks have put their side of the case very ably, but I maintain that by inserting the word "preliminary" we shall empower the Minister, on his own initiative, to order the carrying out of a preliminary survey.

Senator NEEDHAM (Western Australia) [4.59].—We have had a fairly long debate, and I think it would be well to test the feeling of the Committee on this question. If the amendment by Senator Earle be carried, I shall be unable to press my proposal, and, consequently, I would ask that honorable senator, if he were present, to temporarily withdraw his amendment. A little while ago the Vice-President of the Executive Council addressed himself to this question, and insisted that if honorable senators upon this side of the Chamber secured their way, the Minister would be unable to present any information relating to a projected railway to

Parliament. I hold that the words "investigations and inspections" which appear in the clause give the Minister and the Commissioner ample authority to collect all the necessary data for submission to Parliament. Senator de Largie has stated that in order to procure the desired information it might be necessary to appoint a Royal Commission. That, I contend, is begging the question, because the honorable senator knows perfectly well that until quite recently there was in existence a Parliamentary Standing Committee on Public Works. I admit that there is no such body in existence now. I do not know whether the Government intend to appoint one or not. But if such a Committee is appointed, it will be able to investigate all these matters quite as well as does the Railways Standing Committee in Victoria, so that there is no cause for alarm in regard to the need for appointing a Royal Commission. In order to bring this question to a vote, I intend to move—

That the word "and," before the word "surveys," be left out.

Senator PLAIN (Victoria) [5.4].—I am sorry that I did not succeed in making my meaning clear to the Minister upon this question of surveys. I hold that it is not necessary to survey the route of any proposed line before securing a report upon it. The honorable senator asked me what course the States adopt in determining a railway route. In reply, I say that the first step probably takes the form of a deputation, which waits upon the Minister for Works, for the purpose of asking that a certain survey be made. The Minister, of course, would listen sympathetically to the deputation. If he thought that they had made out a good case he would naturally say, "Gentlemen, I will call for a report. I will send a surveyor to survey the country and ascertain the surroundings and conditions applying to the proposed route. If he reports that the proposal is satisfactory, and I come to that conclusion, I will ask the Ministry to submit the proposal to Parliament." In this State, there is no such thing as a survey authorized until the proposal has been submitted to the Legislative Assembly. To allow the Commonwealth Minister to sanction even a preliminary survey is, I think, to give him too much power. He has a good surveyor

named Combes, whom I think the authorities can rely upon, so far as advice and experience are concerned. Knowing the country well, and understanding the local conditions, he would be in a position to furnish the Minister with all the particulars he desired to satisfy Parliament that the line, if constructed, would be likely to be productive or otherwise. If the Minister told Parliament that his surveyor had made a report, and he found it was a sound proposition, he would present the report, and Parliament would have no hesitation in saying to him, "Go ahead."

Senator RUSSELL.—Without this clause the Minister could not put on any surveyors to obtain that information for him. In the case of the Northern Territory, three or four routes have been suggested. Suppose that the Public Works Committee were asked to go up and inquire, without a preliminary survey having been made, where would they go? Naturally they would ask which route was meant.

Senator PLAIN.—It appears to me that the members of this Committee are getting quite confused as to the intentions of the Minister in charge of the Bill. Senator Guthrie asks, "How can a surveyor give a report without taking the levels?" Evidently he thinks that it would be necessary to have a survey and levels complete before a report could be submitted to Parliament.

Senator GUTHRIE.—That would be a preliminary survey.

Senator PLAIN.—That would be a survey pure and simple.

Senator GUTHRIE.—What is a preliminary survey—a survey with a flying machine?

Senator PLAIN.—I suppose that the honorable senator would be content to scoot about the country in an aeroplane, and get an idea of the levels.

Senator RUSSELL.—The last survey of a line was made by two men in a motor car, from Brisbane to Port Augusta.

Senator GUTHRIE.—What was the use of such a survey?

Senator PLAIN.—I do not desire to raise any doubt in the minds of honorable senators, or to presume that they are inferior to myself in these matters. My anxiety is to safeguard the country against an expenditure which should not be incurred at this time, if it can be prevented. I recognise that honorable senators generally have had much more ex-

perience of railways, and the working of the parliamentary machine, than I have had, and I have no wish to reproach them. I am not agreeable to intrusting this extensive power to the Minister. When it is recollected that for years Victoria has been paying interest on £300,000 or £400,000 expended on flying surveys, I contend that we shall not be safeguarding the public purse, as we ought to do, if we give a similar power to the Commonwealth Minister. I repeat that the evidence which is considered necessary to satisfy the Victorian Government as to the prospects of a proposed railway should be sufficient to satisfy the Commonwealth Government.

Senator RUSSELL.—It is not proposed to do any more.

Senator PLAIN.—Then we have nothing to fear.

Senator GUTHRIE.—Knock out the word "surveys."

Senator PLAIN.—That word will have to go. There will be no preliminary survey, and it will be left to the Commissioner to obtain a report on a railway proposal. I am not in sympathy with this provision or with the amendment. I think that all railway proposals should be left to be dealt with in exactly the same manner as has been adopted for years by the Victorian Railways Committee.

Amendment, by leave, withdrawn.

Amendment (by Senator NEEDHAM) proposed—

That the word "and," before the word "surveys," be left out.

Question put. The Committee divided.

Ayes	8
Noes	18

Majority	10
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AYES.

Barker, S.
Barnes, J.
Ferrieks, M. A.
Guy, J.
Needham, E.

O'Keefe, D. J.
Plain, W.

Teller:
Grant, J.

NOES.

Buzacott, R.
Crawford, T. W.
Earle, J.
Foll, H. S.
Guthrie, R. S.
Henderson, G.
McDougall, A.
Millen, E. D.
Newland, J.
Pearce, G. F.

Pratten, H. E.
Reid, M.
Rowell, Colonel
Russell, E. J.
Senior, W.
Shannon, J. W.
Thomas, J.

Teller:
de Largie, H.

Question so resolved in the negative.

Amendment negatived.

Amendment (by Senator EARLE) again proposed—

That before the word "surveys" the word "preliminary" be inserted.

Question put. The Committee divided.

Ayes ..	20
Noes ..	6

Majority .. 14

AYES.

Buzacott, R.	O'Keefe, D. J.
Crawford, T. W.	Pearce, G. F.
Earle, J.	Reid, M.
Ferrieks, M. A.	Rowell, Colonel
Foll, H. S.	Russell, E. J.
Grant, J.	Senior, W.
Guthrie, R. S.	Shannon, J. W.
Guy, J.	Thomas, J.
Henderson, G.	
Millen, E. D.	
Newland, J.	

Teller:
de Largie, H.

NOES.

Barker, S.	Pratten, H. E.
Barnes, J.	
McDougall, A.	
Needham, E.	

Teller:
Plain, W.

Question so resolved in the affirmative.

Amendment agreed to.

Senator PRATTEN (New South Wales) [5.20].—I move—

That the word "Minister," in sub-clause 3, be left out, with a view to insert in lieu thereof the word "Parliament."

This amendment will crystallize our discussion, which has raised the question whether we are going to give the Minister full discretion to spend any amount of money he thinks fit in complete and detailed surveys, or intend that Parliament shall retain in its own hands privileges which should be jealously guarded. A good deal has been said with regard to the power proposed to be given to the Minister under this clause. On one side it is suggested that it is required only that he may deal with small matters, and, on the other side, one can visualize the expenditure of even £100,000 by the Minister without the authority of Parliament under the clause as it now stands.

Senator EARLE.—Not for preliminary surveys.

Senator PRATTEN.—That may be possible even in connexion with preliminary surveys, in view of the vast problems for the construction of transcontinental railways which will, no doubt, come before us in the future. We should, I think, recognise that in these matters Parlia-

ment should first be consulted by the Minister. I shall take up no further time in submitting the amendment, as the matter has already been fully debated.

Senator RUSSELL (Victoria—Honorary Minister) [5.23].—I hope the amendment will not be carried. It would prevent the Minister taking even the most minute preliminary steps in connexion with a railway survey until authorized to do so by Parliament. A number of small sidings or railways might at any time during a recess become matters of extreme urgency, and they could not be undertaken if the amendment were agreed to. Even the putting in of a surveyor's peg could not be undertaken in connexion, for instance, with a small extension connecting an existing railway with a military camp without the sanction of Parliament. The Minister should have power to take preliminary steps in connexion with such a proposal, and might submit it as an urgent matter as soon as Parliament met. I am sure that Senator Pratten does not wish us to believe that, in his opinion, Ministers in the future will deserve to be so distrusted that they may not be permitted to incur the expenditure of a few pounds upon a necessary work without parliamentary authority. Honorable senators have already discussed at length the question raised by the amendment, and I ask the Committee not to reverse the attitude which it has already taken up in dealing with it.

Amendment negatived.

Clause, as amended, agreed to.

Clause 59 agreed to.

Clause 60—

If the Minister moves that the House of Representatives declare that it is expedient to carry out the proposed work, the information supplied to him in pursuance of the last preceding section shall at the same time be laid before the House of Representatives.

Senator GUTHRIE (South Australia) [5.27].—I move—

That the words "the House of Representatives," lines 1, 2, and 6, be left out, with a view to insert in lieu thereof the word "Parliament."

The Senate should have a voice in these matters as well as the House of Representatives. I do not think the amendment requires any argument to commend it to honorable senators.

Senator RUSSELL (Victoria—Honorary Minister) [5.28].—I am not at the moment quite clear on the point, but I

believe that a Railways Bill is really a money Bill, and the Constitution debars the initiation of a money Bill in the Senate. A Railways Bill undoubtedly involves the expenditure of money, and so cannot be initiated in the Senate. The clause is not intended to in any way detract from the dignity or status of the Senate.

Senator O'KEEFE (Tasmania) [5.29].—We know that the Senate has no power to initiate money Bills, but this clause deals merely with the giving of certain information. Even, as a matter of courtesy, the information which is laid before one branch of the Legislature should also be laid before the other. The Minister might accept the amendment without any hesitation.

Senator MILLEN (New South Wales—Vice-President of the Executive Council) [5.30].—This clause in no sense affects anything that may be called the rights, dignities, or duties of the Senate. It is merely a provision that if the Minister asks the House of Representatives to approve of a proposition he shall place before that House the facts and information which he is in possession of, and which support the motion he moves.

Senator GUTHRIE.—Why should he not give the same information to the Senate?

Senator MILLEN.—The honorable senator will see that the adoption of a motion moved in these circumstances in the House of Representatives by the Minister merely gives him authority to prepare a Bill to submit to Parliament. That is provided for by the next clause. The Bill will come before Parliament in the ordinary way, and must run the gauntlet of both Houses. This clause merely gives the Minister a definite legislative instruction to do what I think he would find it necessary to do in any event. It does not interfere in any way with the proper discharge of its duties by the Senate.

Amendment negatived.

Clause agreed to.

Clauses 61 and 62 agreed to.

Clause 63—

(1) Subject to this Act, any private lands, or, with the consent of the Minister, any lands being Crown lands of a State, public parks, recreation grounds, roads, or lands which have been dedicated, reserved, or set apart for any public or other purpose, whether by any State or by any private person, may be acquired by the Commissioner for the purposes of a railway.

(2) The provisions of the Lands Acquisition Act 1915-16 shall apply, with such modifica-

tions and adaptations as are prescribed, in relation to lands acquired or to be acquired for the purposes of a railway.

Senator RUSSELL (Victoria—Honorary Minister) [5.31].—I move—

That the following new sub-clause be added to the clause:—

“(3) Notwithstanding anything contained in this section, lands, being public parks or recreation grounds, shall not be acquired for the purposes of a railway until after the expiration of thirty days after a statement of the proposal to acquire the lands has been laid before each House of the Parliament.”

We are all agreed to-day that the last thing to do is to acquire any of our parks or recreation grounds for any purpose other than that for which they have been reserved. But there are occasions when the overwhelming claims of the community make it necessary that, for railway purposes, a portion of a park or a recreation ground must be used. In such cases, the amendment provides that the papers dealing with the matter shall lay on the table in each House of the Parliament for thirty days before the land is acquired for railway purposes. This will make it clear that no park lands shall be used for railway purposes until both Houses of this Parliament have been given a full opportunity to express approval or disapproval of the proposal.

Senator GUTHRIE (South Australia) [5.33].—It was my intention to have moved that the words “public parks, recreation grounds” be left out. Honorable senators will remember that when the Eminent Domain Bill was before us we dealt with the matter of public parks and recreation grounds very fully, and the Government of the day withdrew the original Bill. It has to be remembered that we are dealing here, not only with public parks and recreation grounds in Federal territory, but in the various States. These lands have been dedicated to the people for the purposes of recreation.

Senator MILLEN.—Whom will the railways be dedicated to?

Senator GUTHRIE.—They will not be dedicated for recreation purposes. We have had an example already of what may occur. The park lands at Port Augusta have been absolutely destroyed by the running of railway lines through them. In South Australia, under the State law, not a single inch of park lands can be taken for any purpose other

than recreation unless a special Act is passed. Very little land has been dedicated to the public throughout the Commonwealth, and it is an absolute injustice to cut reserves up and erect shunting yards and similar things on them. Laying a regulation on the table for thirty days does not give Parliament an opportunity to deal with it. Objection has to be taken by a private member. He puts a motion on the notice-paper, and probably it will never be reached before the time is up. If the Minister will withdraw his amendment temporarily I will move—

That the words "public parks, recreation grounds," be left out.

That will test the feeling of the Committee on the point. I am certain the Senate is not prepared to run railways *holus bolus* over public parks and recreation grounds. It is better to take a railway an extra half mile round a park than to take away from the public part of the little land that has been reserved for them.

Senator RUSSELL (Victoria—Honorary Minister) [5.37].—There is no intention on the part of anybody to take reserves from the public.

Senator GUTHRIE.—Not at present, but in Adelaide our tramways were run right through our squares, cutting them all up.

Senator RUSSELL.—Public feeling is growing against interference with public parks, but some consideration must be given to public necessities. To build the central station in Sydney, a public reserve, in the shape of an old cemetery, was taken, and I do not think any one objected. We cannot foresee how a city will grow, and cannot always design the parks in the right places. Even to-day in a part of the public parks originally provided for Melbourne they are removing the remains of people who died in the early days, in order to build public markets, because the city has grown over some of the reserves. At times, much as we regret it, we may have to take the corner of a park for the building of a railway. I do not anticipate any overcrowding for a century or two along most of the Commonwealth lines.

Senator GUTHRIE.—You have cut into the parks already at Port Augusta.

Senator RUSSELL.—Any member can move to disallow a regulation to take part of a park.

Senator SENIOR.—Unless he can get the opportunity or the numbers to carry his

motion the regulation will not be disallowed.

Senator RUSSELL.—If we brought down a Bill to acquire portion of a park, and the honorable senator had not a majority to defeat it, the result would be the same. A vote to disallow a regulation is just as effective as a vote against a Bill if members are keen enough to follow the regulations.

Senator GUTHRIE.—Who can follow your regulations?

Senator RUSSELL.—People are very sensitive about land questions, and there is no doubt that if members do not notice what is proposed, their attention will be directed to it by some one outside. I would sooner increase than decrease the areas of public parks, but do not let us make a big fuss if, in order to carry out a large public work, we have to take a little corner of a park.

Amendment, by leave, withdrawn.

Amendment (by Senator GUTHRIE) proposed:

That the words "public parks, recreation grounds" be left out.

Senator SENIOR (South Australia) [5.41].—This Act will not be perpetually administered by the present Minister, and hope is rather a shifty ground to build on when passing an Act of Parliament which is to have force for many years. Our park lands are all too small now, and when population grows the trouble will be intensified. No Government can reasonably object to bring down a short Bill if it becomes necessary to take any land away from the public. If the Government have a majority, they can carry their Bill, but it will apply only to the particular spot referred to at the particular time, and not generally, as this clause does. I would remind the Minister that Governments change, and there might be a case where the construction of a railway, or the building of a station, through certain public parks or reserves, would very much enhance the value of neighbouring property. It might destroy the park to increase the value of adjacent land, and Senator Grant would be up in arms directly.

Senator CRAWFORD.—Would it not be necessary to get the consent of the State Government?

Senator SENIOR.—This Bill does not say so. There would be a greater safeguard for the interests of the public if

that sort of thing had to be done by means of a Bill rather than by a regulation, which might slip through. If it is made necessary to bring in a Bill in each case, the Government will have to bring forward arguments why they wish to acquire the public park in question, and public attention will be focussed on the matter.

Senator GRANT (New South Wales) [5.46].—The amendment does not go far enough. I should like it to include "roads or lands which have been dedicated, reserved, or set apart for any public or other purpose, whether by a State or private person." Some people desire to destroy every small space set apart for recreation purposes, no matter how old the reservation. It is almost impossible to look at any of our public parks in any city without finding where the hand of the vandal has been operating with more or less success. I understand that when Adelaide was surveyed and laid out, it was surrounded by park lands half-a-mile wide. Some people got to work, and, had it not been for the public-spirited action of one of the Governors of South Australia, there would be no park lands in Adelaide to-day. It is people of that kind in this Chamber who would vigorously back up the Minister in his desire to clothe the Railways Commissioner with power to take away public reserves. This country is big enough for us to construct public railways in without destroying the limited area now set aside for public recreation. In Sydney, the park lands have been diminishing year by year, and it almost requires a vigilance committee to retain for the public the few remaining acres at their disposal. Hyde Park, in the centre of Sydney, is to be utilized, to a great extent, for the proposed city railway; and even Wynyard-square is to be interfered with. The Senate should not lend itself to that sort of thing. Honorable senators will not see the regulations when they are laid on the table of the Senate or the Library. They get too many papers to read to enable them to follow up regulations of that sort. If any Government desire to rob the public of some park, there is nothing to prevent them bringing down with their railway Bill a statement showing the lands they require. That will place the matter definitely before both Houses, and honorable senators will know exactly

what they are doing. It may be advisable to take a few yards of a park occasionally for the purpose of carrying railways through cities. In most cases it can be avoided, and the way to get over the difficulty is by striking out the further words I have quoted. This will entail no hardship or inconvenience upon anybody. When it is proposed to construct a railway, it will be mandatory on the part of the authorities, when submitting the Bill to Parliament, to state distinctly what land may be required. Parliament will then be in a position to say whether the railway authorities should be permitted to encroach upon reserves. Unless we indicate in an Act of Parliament what is being done, the people may not be aware of any threatened encroachment.

Senator EARLE (Tasmania) [5.58].—The conservation of our public parks is one of the most important duties that can devolve upon the statesmen of to-day, not only for the recreation of this and future generations, but also for the health and well-being of our people. The people of Australia are under a debt of gratitude to statesmen of the past who have reserved for their use those open spaces which they are now permitted to enjoy, and we cannot too jealously guard them against encroachment. I realize, however, that there may be instances when, owing to the immensity of an industry, it may be necessary to encroach somewhat upon the privileges of the people, but in such a case the matter ought to be brought before Parliament in a special measure, as indicated by those honorable senators who have already spoken on the subject.

Senator MILLEN.—Do you want to go so far as Senator Grant?

Senator EARLE.—No; but I want to protect our public parks in the manner suggested by Senator Guthrie. I realize, however, that if we insisted upon a special Act of Parliament being passed before railway authorities could cross roads, we might hang up a railway proposition indefinitely.

Senator GRANT.—Lands that have been dedicated to the public are in the same position as parks.

Senator GUTHRIE.—We must have authority to cross roads.

Senator EARLE.—I should certainly very jealously guard all public parks and

recreation grounds. I am in sympathy with the amendment moved by Senator Guthrie, and intend to vote for it.

Senator MILLEN (New South Wales—Vice-President of the Executive Council) [5.56].—We are all in agreement as to the desirability of preserving our public parks and recreation grounds, the only difference of opinion being as to the form of protection we desire to throw over them. Senator Russell's amendment was designed to bring the Bill into line with the Lands Acquisition Act, by providing that any proclamation for the resumption of land would not be operative until the notification had been laid for thirty days on the table of either House. The proposal outlined by Senator Guthrie, on the other hand, requires that parliamentary consent shall be obtained before notification of resumption. The only difference is in the method, and in the circumstances I am prepared to accept the amendment submitted by Senator Guthrie.

Amendment (Senator Guthrie's) agreed to.

Senator GRANT (New South Wales) [5.59].—I move—

That the words "roads or lands which have been dedicated, reserved, or set apart for any public or other purpose whether by any State or by any private person" be left out.

There is no difference whatever, so far as the public are concerned, between public parks and recreation grounds, and roads or lands which have been dedicated, reserved, or set apart for public purposes.

Senator SENIOR.—Lands might be set apart for forest purposes or water reserves.

Senator GRANT.—If so, those lands should not lightly be taken away from the people. It is most difficult to get reserves of that sort, and it seems to me that those who drafted the Bill assumed that roads or dedicated lands were in the same category as public parks and recreation grounds. Senator Russell's proposed amendment applied to them.

Question.—That the words proposed to be left out be left out—put. The Committee divided.

Ayes	2
Noes	22

Majority	20
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AYES.

Ferricks, M. A.

Teller:
Grant, J.

NOES.

Bakhap, T. J. K.
Bolton, Lt.-Colonel
Buzacott, R.
Crawford, T. W.
de Largie, H.
Fairbairn, G.
Guthrie, R. S.
Guy, J.
Henderson, G.
McDougall, A.
Millen, E. D.
Needham, E.

Newland, J.
O'Keefe, D. J.
Pearce, G. F.
Plain, W.
Pratten, H. E.
Reid, M.
Russell, E. J.
Senior, W.
Shannon, J. W.

Teller:

Earle, J.

Question so resolved in the negative.

Amendment negatived.

Clause, as amended, agreed to.

Clause 64—

(1) Notwithstanding any law to the contrary—

(a) the Commissioner may, with the approval of the Governor-General, cause a railway to be constructed along, over, and across any public reserve.

Senator EARLE (Tasmania) [6.6].—I should like the Minister to explain the object of paragraph *a* of sub-clause 1, because it seems to me that it vetoes everything that we have been doing.

Senator RUSSELL (Victoria—Honorary Minister) [6.7].—This clause has nothing whatever to do with the acquisition of land. It merely provides that after land has been acquired, the Commissioner shall have power to construct a railway across any lands acquired under the Lands Acquisition Act.

Senator PRATTEN.—But under the previous clause, with the consent of the Minister, the Commissioner may acquire lands for any purpose.

Senator RUSSELL.—The clause is limited to the work of construction, and the Commissioner has no power to construct any railway until the Commonwealth has acquired the land for the purpose.

Senator PRATTEN (New South Wales) [6.10].—I confess that I do not like paragraph *a* of sub-clause 1. To my mind it will clothe the Commissioner with power to build a railway across a public park. In New South Wales a "public park" is a park reserved for the use of the public, and is so gazetted.

Senator RUSSELL (Victoria—Honorary Minister) [6.11].—Land may be acquired by the Commonwealth for a variety of purposes. Let us assume, for the

sake of argument, that it has been acquired for the purposes of a public reserve. It may have been used as a public cemetery, and it may become necessary to remove from it the corpses which have been interred there. As a result, compensation may have to be paid to the persons directly interested. In this connexion I may instance the Devonshire-street Cemetery, Sydney, which had to be entirely done away with in order to make room for the construction of the new Redfern railway station. In that case the removal of the corpses might have involved heavy payments by way of compensation. This clause is intended to obviate such claims.

Senator GUTHRIE (South Australia) [6.12].—I direct Senator Pratten's attention to the definition of "Land" under the Lands Acquisition Act 1906. It reads—

"Land" includes any estate or interest in land (legal or equitable), and any easement, right, power, or privilege over, in, or in connexion with land, and also includes Crown land, but does not include public parks vested in or under the control of municipal or local authorities, and dedicated to or reserved for the recreation of the people, or such other lands dedicated to or reserved for the use and enjoyment of the people, as have been specified by proclamation.

Senator EARLE.—But this clause says "notwithstanding any law."

Senator PEARCE.—Sub-clause 2 of clause 63 declares that the provisions of the Land Acquisition Act shall apply to lands acquired for the purposes of this Act.

Senator RUSSELL (Victoria—Honorary Minister) [6.13].—If honorable senators will read sub-clause 2 of this clause they will see that it provides—

No person shall be entitled to claim compensation for or upon account of any lands that have been acquired or used in or from any such public reserve or road for any other purposes of this Act, nor for any damage or inconvenience arising to him or it by reason thereof; but the Commissioner may, with the approval of the Governor-General, or as directed by the Governor-General, make such compensation in respect of any such land as is deemed expedient.

It is quite possible that in the construction of a railway, at some awkward point, the view from a residence may be spoiled, and in the absence of a provision of this kind the Commonwealth would be liable to pay compensation. Or it may happen that a beautiful two-chain road may have to be reduced to a one-chain road, and the value of private property may thus be

adversely affected. This provision seeks to protect the Commonwealth by laying it down that none of the things incidental to the construction of a railway shall be regarded as a reasonable ground for the payment of compensation.

Senator EARLE (Tasmania) [6.15].—I quite admit that it is necessary for the Commissioner to be clothed with a certain amount of authority. But to my lay mind this clause is contrary to the spirit of the previous clause. Therefore I move—

That the following words be added to paragraph a:—"other than public parks or recreation grounds."

Senator PRATTEN (New South Wales) [6.17].—I shall support the amendment of Senator Earle. To my lay mind, also, the clause is not clear, and the addition of the words proposed will have the effect of removing its ambiguity.

Senator FAIRBAIRN (Victoria) [6.18].—If the Government wish to construct a railway through a public park or recreation ground, it seems to me that we shall be up against this clause.

Senator GUTHRIE.—No.

Senator PEARCE.—This provision would not come into operation until after we had acquired the land.

Senator GRANT (New South Wales) [6.19].—While the intention of the mover of the amendment may be all right, I submit that this is not the place to insert the words which he desires to insert. The whole of clause 64 vests in the Commissioner certain powers over lands which have been acquired. If, for example, it were proposed to run a circular line of railway through the public parks around Adelaide, or through any other public park or recreation ground, the sanction of Parliament to the proposal would be valueless unless the Commissioner were clothed with the power that will be conferred upon him by paragraph a of this clause. In my opinion, there is no necessity to insert these words. Once a park has been handed over by an Act of Parliament to the Commissioner for the purpose of constructing a railway, this clause will simply empower him to do so. In the circumstances, I think that the words are entirely out of place.

Amendment negatived.

Clause agreed to.

Clauses 65 to 68 agreed to.

Clause 69—

(1) Whosoever—

shall be guilty of an offence.

Penalty: Ten pounds.

Senator FERRICKS. (Queensland) [6.22].—I move—

That the following new paragraph be inserted in sub-clause 1:—

“(c) knowingly gives or offers to an employee, without the written consent of the Commissioner, a gratuity for personal services rendered.”

If the clause is passed with this amendment, a person guilty of this offence will be liable to a penalty of £10. The offences which are embodied in the four existing paragraphs of this sub-clause are no more grave than the practice of some travellers giving gratuities to railway employees for the purpose of obtaining attention which is not extended to the public at large. Seeing that we had an extensive debate on this question the other day, it is not my intention to renew the discussion. I hope that the Minister will see his way to accept the amendment.

Senator RUSSELL (Victoria—Honorary Minister) [6.24].—Personally, I have a good deal of sympathy with this proposal, but I would point out that yesterday we took a test vote, and the amendment was rejected.

Senator FERRICKS.—Not on this question.

Senator RUSSELL.—No, but we took a test vote on the principle of tipping. The whole subject was then involved in the discussion, and though I sympathize a good deal with the present proposal, the honorable senator ought to recognise that a second test vote should not be taken on practically the same principle.

Senator GRANT (New South Wales) [6.25].—This amendment would be the necessary corollary to the amendment to an earlier clause which was defeated yesterday, but it differs somewhat from that one. It seeks to inflict a penalty upon wealthy travellers who wish to perpetuate a system of compelling railway employees to adopt an attitude towards the travelling public which is utterly subversive of their independence as well as their manhood. I know of no persons who approve of this method of securing their wages. Any one who votes against the amendment will be in favour of placing the railway employees in such a position that the Commissioner can very truthfully say to them, “You are in receipt of sub-

stantial tips from every one who travels on the railway, and it is my intention to cut down the pay.”

Senator BAKHAP.—The honorable senator is dreaming in the day time.

Senator GRANT.—No, and no one knows that better than does the honorable senator.

Senator BAKHAP.—The Commissioner will be in his dotage if he does it.

Progress reported.

Sitting suspended from 6.27 to 8 p.m.

CAPTURED GERMAN POSSESSIONS.

Debate resumed from 9th August (*vide* page 921), on motion by Senator BAKHAP—

(1) That the Senate expresses its unqualified appreciation and approval of the statement made on the 31st January last by the Honorable the Colonial Secretary (Mr. Walter Long), which emphatically sets forth that none of the captured Colonial Possessions of the German Empire will, in any circumstances, be returned to that Power; and, furthermore, resolves that any proposal to restore the captured German territories in the vicinity of the Australian continent will be particularly distasteful to the people of the Commonwealth, and prejudicial to their interests, as well as to the future peace of the world.

(2) That the foregoing resolution be transmitted to the House of Representatives for its concurrence.

Senator BAKHAP (Tasmania) [8.0].—When this motion was last debated, we had the pleasure of listening to a very well ordered but short deliverance from the Vice-President of the Executive Council. The honorable senator suggested that my motion should be shorn of some of its apparent redundancies, and should be altered to read somewhat as follows:—

That the return of the captured German colonies in the vicinity of the Australian continent will constitute a standing menace to the safety of this country, as well as to the future peace of the world.

After due consideration, I have come to the conclusion that the phraseology of the motion as I originally submitted it has perhaps something in it that savours of asperity. I believe the suggestion of the Vice-President of the Executive Council is a very wise one, and I therefore ask the leave of the Senate to substitute the form of words suggested by Senator Millen for those in the first paragraph of my motion. I do this all the more readily, because,

although I had approximated the terms of my motion, as closely as I thought judicious, to the utterances of President Wilson in the statement he made at the time the United States declared war against Germany, I believe that the words suggested by Senator Millen will even more closely conform to the very laudable sentiment embodied in President Wilson's utterance, when he said—

No re-adjustments of power must be made except such as will tend to secure the future peace of the world and the future welfare and happiness of its peoples.

That sentiment is embodied in the terms suggested by the Vice-President of the Executive Council, and I have therefore every hope that honorable senators will permit me to amend my motion by substituting those words for the first paragraph of it.

It does happen that, in discussing questions of this momentous character, the words of even the humblest amongst us take to themselves wings and fly over the world. Beyond all doubt, some of the opinions uttered in the course of the debate on this motion last week have been given to the peoples of the world through the medium of the international press. It is not sufficient to convince the Senate. It is necessary to make out a satisfactory and substantial case for the passing of the motion even in the proposed amended form. I do not purpose occupying the attention of the Senate for very long, but I think I may be pardoned if I adduce some further evidence in justification of the motion, in the amended form in which I hope it will be carried. We have not any rabid dislike of international neighbours. The Dutch people who, I hope, will be our international neighbours for centuries to come, have long passed the aggressive stage, and I believe there is not a single Australian who resents the fact that our ex-continental possessions run line for line with a portion of the territory of the Netherlands East Indies. We welcome these people as neighbours. They have been our neighbours since the establishment of the Australian Commonwealth, and I hope there is no Australian who harbors anything like resentment at the fact, or entertains the slightest idea of dispossessing these peaceful, enterprising people of the Possessions to the north of Australia, of which they are in full enjoyment at the present time.

But the case is different with the Germans. Let me adduce this deliverance from a prominent German journalist, and a man who is not regarded as a jingo. He is a man of a somewhat advanced international type, and his opinions are of a cosmopolitan character. Yet in the flush of German victory, after the first few weeks of the war, this is how this semi-Socialist German journalist delivered himself—

The most distinctive merit of Germans is that they do not fit in with the crowd of peaceful nations.

That is their most distinctive merit, according to this journalist of international reputation—

German manhood has not become effeminate because of a long peace. War was always the most profitable business of the Germans. For these reasons the present war is a good war.

Nice neighbours these! Having through the valour of Australian soldiers and seamen taken possession of those lands immediately to the north of Australia, on which the Germans settled, we should be pursuing a suicidal policy if we did not let it be known to the world that it will not be with our concurrence and consent that German New Guinea and the island territories in its vicinity previously in the possession of Germany shall be returned to that country. I have not quoted a German jingo, but one who is regarded rather as an opponent of the jingos in Germany, and yet honorable senators have heard how he speaks. Some people seem to be looking to the German Socialists to bring about peace; but I have said before, and I say again, that the German Socialist is always a German as well as a Socialist, determined if possible to secure the supremacy of the German race and the adoption of German ideas of civilization. We are not going to have these people alongside of us as neighbours until they have purged themselves of their contumacy in regard to the other peoples of the world.

A great many of the evils which have from time to time befallen our country can be traced to the unwise policy which Great Britain has pursued at times, despite international assertions to the contrary, of returning to foreign Powers territories taken from them during the progress of wars. There is not the slightest doubt that the ill-advised stipulation of the British Government to restore Malta to Napoleon brought about the breach of the

Treaty of Amiens. We do not want that sort of thing to occur in connexion with the Possessions which we have taken from the Germans during the last few years, and which, I hope, will never belong to them again.

I may, perhaps, be going to quote rather freely the opinions of other people, but when a man is only an ordinary member of the rank and file of a Legislature he must be forgiven if he thinks it well that his long-established opinions, notwithstanding the force with which they appeal to himself, should be buttressed by the quotation of the opinions of others. I am going to quote something that is very fresh to show that, in the minds of reflective politicians of the Old Country, it is deemed to be an established fact that the Australian people, speaking in a practical sense, are unanimously of the opinion that the previously existing German Possessions in the Pacific should not be restored to Germany. We have such a newspaper as the *Westminster Gazette* delivering itself in terms which have been cabled to Australia, and which may be read in the evening paper published to-day in this city. Referring to the *Westminster Gazette*, the statement is made—

It shares the Australian view that the return of the German colonies is not a territorial question, and that it is necessary not to allow the Empire to be divided by a German fleet and submarine bases.

It is not a territorial question. The *Westminster Gazette* very properly puts it in that way. I venture to say it has taken the cabled opinions and utterances of the Vice-President of the Executive Council as the text of its deliverance. We do not want increased territory for increased territory's sake, but we do want to make the future of our children and of their children after them as secure as human wit and effort at the present time can make it.

I should have liked to have heard a speech on this subject from the Leader of the Opposition. I have complied with the rules of parliamentary courtesy. I believe the honorable senator is in New South Wales at the present time, where, I have no doubt, if he is allowed to speak or do anything at all, he is doing all he can to bring the lamentable strike in that State to an end. I feel sure that at all times Senator Gardiner may be trusted to

Senator Bakhap.

act in the interests of the peaceable settlement of vexed industrial questions. I regret that he is not present.

Seeing that there is such a great deal of talk about peace in international circles, this is a question that is vital to us, and I hope that the Senate will arrive at a decision in regard to the terms of my motion to-night. Some people are disposed to say that we are rushing in where international angels almost fear to tread, and that we should not express ourselves in anything like forcible terms at this juncture. The Vice-President of the Executive Council has said that the Secretary of State for the Colonies, Mr. Walter Long, has, in some degree, qualified the virile utterance that fell from his lips toward the end of January of the present year. Politicians blow hot and cold. I am not saying that that applies to the Secretary of State for the Colonies. I think I know something of what the exigencies of international diplomacy may be; but it is the duty of Australian representatives of the people to see that responsible men in the Home Country are fortified by a forcible and concise expression of the opinion of Australian legislators at the present time.

We hear talk about the restoration of the German colonies. I do not think that the Japanese will tolerate the discussion of any terms of peace in which it is suggested that the territory known as Kia Chau, in the north-east of China, shall be restored to the Germans. I venture to say that every Japanese would sooner see the name of his race and nation perish from human ken than that any international tribunal should adjudge the return of the territory to Germany. Honorable senators may depend upon it that whatever the weakness of Australian or Imperial diplomatists may concede in connexion with the discussion of terms of peace, the Japanese will not permit the erstwhile German territory on the Continent of Asia which they have occupied to be returned to Germany. If they, as I verily believe they will, act sturdily in such a matter, shall we be lacking in backbone?

Senator Ferricks said that if the war could be brought to an end he would relinquish the whole of the islands adjacent to the Australian continent to-morrow, but I remind him

that a man who gave promise of being one of the greatest military authorities of the age had he lived, and who was also a philosopher, delivered himself in this wise: "Nations," he said, "do not advance to their doom; they retreat to it." If, after having secured ourselves through the valour of Australia's sons in the possession of those territories so necessary to the interests of the Commonwealth, we weakly retreated from the position our soldiers and seamen have established for us, then very truly would we retreat to our doom, and walk shamefully in the future. There are tens of thousands of Australia's sons at the present time who wear

The wan livery of dusty death.

Did they die in the belief that territory captured by their valour should be returned to the enemy? I trow not. Even if we remotely contemplate returning those territories to Germany, a terrible ocean of woe opens up before us. I feel very much as one of Napoleon's generals did when the Great Captain, having crowned himself Emperor of the French, asked this man, at the end of the day's pageant, "Was anything wanting to-day?" The marshal, in sombre tones, replied, "Only the 2,000,000 Frenchmen who have died so that this might cease." If Australian representative men are tempted for a moment to contemplate returning German colonies to Germany, I urge them to think of the million—aye, more than a million—of English-speaking men who have died that such a contingency might not reach consummation.

There is very little more for me to say. I had anticipated that some other honorable senators would have addressed themselves to the debate, but the fact that they have not done so leads me to believe that they heartily sympathize with the motion, particularly in the judiciously modified form suggested by the Minister. All I desire is that the young people of Australia may be assured of freedom from the German menace. What would it matter to many of us, for whom the shadows are long upon the hill, if we extended to Germany the most generous terms of peace? But a sacred duty has been imposed upon us by the votes of the people. We have to think of those who have just been born, and of those generations yet unborn, many of whom, I

trust, will become distinguished, not only as citizens of our own country, but of our Empire. It is essential that this nation which calls war a game—this nation whose representative men believe that war is a good thing—should be excluded from the possibility of again being our neighbours. We are in possession of a continent. We have plenty of territory. We are asking this Senate to agree to the motion, not because we seek territorial aggrandisement, but because, knowing the paucity of our numbers and the dangers to which we will be exposed, we feel it our bounden duty at this stage to take such precautions as will eliminate the chance of our future peace being disturbed. Therefore, I submit the motion in the full confidence that it will be carried. I believe its adoption and its communication to the diplomats of the world will bring about that state of affairs we have long desired, namely, that the future of Australia shall be free from dread. I ask the leave of the Senate to amend the motion as indicated by the Vice-President of the Executive Council.

The PRESIDENT.—Is it the pleasure of the Senate that Senator Bakhap have leave to amend his motion?

Senator FERRICKS.—No. I agreed to an amendment of the honorable senator's last motion, and I was afterwards disallowed the opportunity of speaking.

The PRESIDENT.—An objection having been raised, the motion may not be amended, and must be put in its original form.

Question resolved in the affirmative.

ADJOURNMENT.

NEWSPAPER REPORT—MILITARY SERVICE REFERENDUM: ALLOCATION OF OUTSTANDING VOTES: CHARGE OF "FAKING" RETURNS.

Motion (by Senator MILLEN) proposed—That the Senate do now adjourn.

Senator FERRICKS (Queensland) [8.23].—There is one matter to which I desire to direct the attention of the Vice-President of the Executive Council, but before doing so I want to mention that in this afternoon's *Herald* there appears the statement that the motion as to the Allies' peace terms, which was rejected by the Senate to-day, was submitted by Senator O'Keefe. That was not correct.

I do not think Senator O'Keefe particularly wants to claim credit for it, but I do so with pleasure because I believe in the proposal.

The matter I desire now to refer to dates back to the time when the referendum was taken, in October last. I want to make passing reference to the soldiers' vote, and ask Senator Millen if he will make inquiries to see if my suspicions in connexion with this matter are well founded or otherwise. As a preliminary to my inquiry I shall quote a paragraph which appeared in the *Brisbane Courier* on 21st November, 1916. It was headed—

THE REFERENDUM.

POLL TO BE DECLARED TO-DAY.

"No" Majority now 59,552.

Melbourne, 20th November.

The referendum poll will be declared to-morrow. There are a few thousand votes outstanding, but, under a section of the Military Service Referendum Act, the poll may be declared not less than sixty days after the issue of the writ, if not more than 2 per cent. of the votes on the roll are outstanding. The writ was issued on 18th September. The progressive figures up to noon to-day were as follows:—

"No"	1,146,198
"Yes"	1,084,918

Majority for "No" ..	61,280
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It will be evident from a scrutiny of the above figures that a few votes had come in after noon, thus increasing the majority from 59,000, as stated at the head of the paragraph, to 61,280. From the same source I have the figures of the aggregate votes, according to the press, in the different States as follows:—

	Yes.	No.
New South Wales ..	356,209	472,705
Victoria	353,479	327,557
Queensland	142,490	149,926
South Australia ..	87,368	113,591
Western Australia ..	93,886	40,806
Tasmania	48,437	37,703

After seeing the paragraph in the *Brisbane Courier* that the poll would be declared that day, and knowing that the referendum poll was not officially declared by any Returning Officer or the Chief Electoral Officer, but by proclamation in the *Commonwealth Gazette*, I looked up the *Gazette* of 23rd November, 1916, page 3181, and found that the figures were—"Yes," 1,084,918; "No," 1,146,198. The majority in favour of "No" was 61,280, agreeing with the totals of the figures I have already quoted. A few months afterwards members of the

Senator Ferricks.

Senate, in common with members of the House of Representatives, received the official returns giving the vote in every electorate of the Commonwealth, and, although there had been no intimation in the press of progressive increases, the latest official returns show that the "No" majority has increased very disproportionately. Let me take Queensland as an illustration. On 21st November the "No" majority in that State was, in round numbers, 7,700, but according to the last official returns it was over 14,000. In view of this increase it is a fair question for us to ask, "Where did the additional 7,000 votes come from?" The returns show the increases in the respective "Yes" and "No" totals from the day the poll was declared up till the publication of the *Commonwealth Gazette*. The figures for Western Australia show that the "Yes" vote increased by 183, and the "No" vote by 78, an increase of about two to one in favour of the "Yes," which was about a fair increase. In Tasmania the "Yes" increase was 56 and the "No" increase was 130—about two to one in favour of "No." In Victoria the "Yes" vote increased by 451, and the "No" vote by 659, a proportion of three to two in favour of "No." In New South Wales the increase in the "Yes" vote was 596, and that in the "No" vote 1,839—a proportion of three to one in favour of the "Noes." In Queensland the increase in the "Yes" vote was 1,710, and that in the "No" vote was 3,125.

Senator MILLEN.—Does the honorable senator remember that the German votes were late in coming in?

Senator FERRICKS.—The Germans did not have a vote on this question. In Queensland, therefore, the voting was five to one in favour of the "Noes."

Senator REID.—Any number of Germans voted in Queensland, and I can tell the honorable senator where.

Senator FERRICKS.—Then they must have evaded the provisions of the Act. In South Australia the increase in the "Yes" vote was 556, and that in the "No" vote 5,645. In other words, there was a proportion of 100 votes to one in favour of the "Noes." In my judgment, it is a fair thing to ask whether it is possible that the "No" votes could have worked out in that proportion either

in South Australia or elsewhere. I do not believe it.

Senator NEEDHAM.—Not even including the Germans.

Senator FERRICKS.—Not even including the Germans—the people to whom the Minister for Home and Territories addressed an appeal for support in South Australia.

I wish now to make a passing reference to the question of the publication of the soldiers' vote. We were eventually informed by the Prime Minister that about 50,000 soldiers voted "No," whilst the "Yes" vote numbered about 72,000. Now, it has been stated in certain British newspapers that these figures are not correct. I have here an extract from the Melbourne *Socialist* of 6th April, which reads—

"It is a remarkable fact," says the *Freeman's Journal*, "that the figures of the voting of the Anzac troops in the Australian referendum on conscription have never appeared in the British press, although two months have now elapsed since the referendum was taken. It will be remembered that when the early figures for the voting in Australia itself were published, and showed a relatively small majority against conscription, the advocates of that policy expressed the confident hope that when the votes of the men actually serving and other Australian residents abroad were counted they would be found to reverse the decision of their countrymen at home. The failure to publish the votes of the troops was in itself very significant, but we are now in a position to give the figures, which were—For conscription, 40,000; against conscription, 106,000; a majority against conscription of 66,000."

Senator DE LARGIE.—Where is the *Freeman's Journal* published?

Senator FERRICKS.—In Dublin, I think. The extract proceeds—

As the total majority against conscription was only 61,000, it is thus clear that it was the votes of the Anzac soldiers which really decided the issue.—*Glasgow Weekly Herald*, 13th January, 1917.

Senator GUTHRIE.—The *Glasgow Weekly Herald* copied the statement from the *Freeman's Journal*.

Senator FERRICKS.—In view of these assertions, we can conceive of how many thousand "No" votes were allocated to New South Wales to swell the "No" majority, before the declaration of the poll was made in the *Commonwealth Gazette*.

Senator GUTHRIE.—That is an exceedingly serious charge to make against the Returning Officer.

Senator FERRICKS.—No; the votes were allocated in London.

Senator REID.—Does the honorable senator mean to say that the authorities faked the vote in London?

Senator FERRICKS.—I say that the soldiers' "No" votes were used to swell the "No" majority in some of the States, and to reduce the "No" vote which was recorded by our troops abroad. Listen to the following extract on the allocation of the soldiers' vote from the *Brisbane Courier*—

SOLDIERS' VOTES.

METHOD OF COUNTING.

AN OFFICIAL STATEMENT.

Melbourne, 10th May.

Mr. R. C. Oldham, Chief Electoral Officer, stated to-day—"The preliminary allocation of soldiers' votes to divisions is necessarily a long process, requiring the exercise of great care. The actual counting of the votes when the preliminary allocation has been made will occupy a comparatively short time, and as it proceeds progress reports will be cabled to the Chief Electoral Officer, Melbourne, and wired to the Returning Officers for immediate incorporation in the figures for each State and division in the presence of scrutineers. Sir Robert McC. Anderson, the Commonwealth Returning Officer in London, has been informed of the closely-contested seats, and may be relied upon to expedite the count to the fullest possible extent.

Senator NEEDHAM.—And he did.

Senator FERRICKS.—He did, and in the right way, too.

Senator REID.—Does the honorable senator mean to say that he faked the returns?

Senator FERRICKS.—Where was the necessity for advising Sir Robert Anderson of the closely contested seats at the last election?

Senator BAKHAP.—Does not the honorable senator think that the candidates wanted to know the results.

Senator FERRICKS.—So far as the divisional returns in Queensland were concerned, they showed that the honorable member for Brisbane (Mr. Finlayson) was absolutely defeated, and the surplus soldiers' votes were put into the Moreton divisional returns, where they were wanted. But, unfortunately, this scheme miscarried, owing to a miscalculation, and as a result Mr. Finlayson's minority of fifteen was changed into a majority of fifteen.

Senator REID.—He should not be where he is to-day?

Senator FERRICKS.—He would not be if the Prime Minister had had an opportunity to prevent it. I say that the soldiers' votes on the conscription question were faked in the allocation. I will not believe that it is possible for any State to record votes in the proportion of 100 to 1 in favour of the "Noes."

Senator REID.—Has the honorable senator any proof of faking?

Senator FERRICKS.—I want to know from where the surplus votes came in the proportion of 100 to 1. How did it come about that when the declaration of the poll was made in Queensland there was a majority of 7,000 "No" votes, and that a little later that majority had increased to 14,000? I venture to say that the soldiers at the Front did vote "No." I remember that Senator O'Loughlin, who was on the other side of the world as well as Senator Rowell—

Senator GUTHRIE.—Senator O'Loughlin was in Ireland.

Senator FERRICKS.—He was as near to the Front as was Senator Rowell. Yet he came here and expressed the very opposite opinion of that voiced by Senator Rowell. I look to the Vice-President of the Executive Council to explain how these "No" votes came out in the proportion of 100 to 1.

Senator DE LARGIE (Western Australia) [8.41].—I desire to say a few words upon this question. For the greater part of Senator Ferricks's speech I was at a loss to understand what he was endeavouring to prove. I thought we had pretty well buried the wheeze in which he so often indulged concerning the referendum vote. If he had any regard for the reputation of Australia in the eyes of our Allies he would not resurrect it. If there is one thing in the history of Australia that we ought to endeavour to forget, it is the result of that referendum. When I was in the Old Country last year Australia stood very high in the esteem of our Allies. I do not believe that any of the overseas Dominions occupied as high a pedestal at that time as did Australia. But I am quite satisfied, from what I have learned since, that she has been lowered both in the eyes of the other Dominions and our Allies as the result of the referendum vote.

Senator Lt.-Colonel O'LOUGHLIN.—That is not what the British Prime Minister said yesterday.

Senator DE LARGIE.—I do not need to depend upon the reported utterances of anybody. I know what was the feeling at the time of my visit to the Old Country. I am quite satisfied that Australia never stood as high in the estimation of all parts of the Empire as she did before the referendum was taken on conscription. Why in the name of all that is reasonable should this page in our history be dug up here to-night?

Senator FERRICKS.—Because it is the first opportunity I have had of referring to it.

Senator DE LARGIE.—Does the honorable senator think that he will establish anything in the minds of reasonable persons by bringing this matter forward in the way that he has done? We have previously heard all about how the soldiers' votes were cast on the occasion of the referendum. Time after time the honorable senator and others have told us how the soldiers voted. The Prime Minister, in accordance with the wish of the Allies, kept back the figures, and for very good reasons would not publish them. But being taunted time and again that a declaration had gone forth that a majority of the men in the trenches voted against conscription, at last the Government were obliged to publish the figures. What was the revelation? It was shown that a majority of our men in the trenches were in favour of conscription. Is it not the most reasonable and logical thing which one might expect? Will one person who knows anything of the horrors and sufferings of war say that any of the men in the trenches, no matter how brave and stout they might be, would refuse the help which we were anxious to give them? Would such a refusal be in accordance with sense, reason or logic?

Senator FERRICKS.—Yes.

Senator DE LARGIE.—It is most unlikely that the men in the trenches would refuse help when we knew that it was so much needed. I was at the Front last year, and had an opportunity of meeting a number of Australian soldiers, but evidently I know nothing in comparison with the enormous knowledge which Senator Ferricks possesses on this question. He really knows nothing. I have known him get up here, and in a most egotistical manner say, time and again, that he knew how the vote went, when no one else here had the slightest knowledge as to how it went. It has to be remembered that the

very same statement was made in reference to the vote of the soldiers at the late election. It was then declared that the voting was faked against the gentlemen sitting on the opposite benches. It was declared that a majority of the votes were in favour of their candidates, but through some manipulation of the figures the Nationalist candidates obtained a majority of the votes when they were counted. Who cannot remember the representations made by these gentlemen in the public press? What about the statement of a member of the Federal Parliament, whom they appointed as their representative to observe the voting at the Front and in the Old Country? Mr. McGrath, the member for Ballarat, sent out a cablegram expressing his satisfaction with the manner in which the ballot was taken and the votes of the soldiers were dealt with. That cablegram was published in a local newspaper. Still, in face of these undeniable facts, from which I think any reasonable person would form his opinion, we have statements to the contrary made by Senator Ferricks to-night. It does not matter to most of us who know the honorable senator how much he repeats the statements. He will never make his position any better.

Senator PRATTEN (New South Wales) [8.48].—I take it that the basic fabric on which Senator Ferricks built up the case to-night was very largely assumed figures which have appeared in a Sinn Fein newspaper published in Dublin.

Senator FERRICKS.—No; they appeared in the *Brisbane Courier*.

Senator PRATTEN.—It was in the *Dublin Freeman's Journal*, I understand, that the figures first appeared; they were copied in a Glasgow newspaper, and from that journal they were copied into several provincial English newspapers. That is the basis of the case which Senator Ferricks and others have quoted from time to time in connexion with alleged faking of the conscription voting. I remind the honorable senator that the vote for the Nationalists at the general election on the 5th May was not disproportionate to the vote of the soldiers in favour of conscription. Now that this matter has been brought before the Senate, I suggest to the Minister that if a report is to be called for from the Returning Officer with regard to the conscription vote in New South Wales, some report should also be called for in connexion with that

vote, and also in connexion with many statements we heard to the effect that some places polled a full vote, and others almost more than their strength. I refuse to believe that the anti-conscription vote in New South Wales was not faked there in some other way. The Nationalists polled 410,000 votes. At the election on the 5th May, the anti-conscriptionists polled about 330,000 votes. Yet we have these votes polled in an election in which greater interest was taken than in any previous Federal election, and we are asked to believe that 470,000 legitimate votes were polled against conscription in the Mother State. There were no scrutineers, I understand; there were no checks on the polling at many polling places, and as one of the representatives of New South Wales, I would like a report to be obtained from the Returning Officer in this connexion, if a report is to be made to the Government. I trust that the Minister, if he does call for the report asked for by Senator Ferricks, will also request the Returning Officer to say something with regard to that enormous "No" vote which some of us do not think was legitimate. At all events, those people who voted "Yes" in New South Wales voted only once.

Senator Lt.-Colonel O'LOGHLIN (South Australia) [8.51].—I am only intervening in this debate for the sake of accuracy. I have no doubt that the Minister will look into the statements made by Senator Ferricks, for they certainly call for an explanation. The statement of Senator Pratten that the *Dublin Freeman's Journal* is a Sinn Fein organ is entirely in error. It is the organ of the Irish Constitutional party, which is supporting the Government of the country, and a prominent member of which recently lost his life leading his men in France: I refer to William Redmond.

Senator PRATTEN.—What did he say about the present position?

Senator Lt.-Colonel O'LOGHLIN.—It seems to be the fashion just now to attribute to the Sinn Feiners everything in the way of anti-war press comments from the Old Country. Even such a high authority as the Prime Minister, the Right Honorable W. M. Hughes, only the other day, made the extraordinary statement in another place that the *Nation*, a newspaper which has been prohibited from being circulated in England, is the organ of the extreme party in Ireland. Any

well-informed man should have known that until recently the *Nation* was one of the leading organs of the Liberal party in London, and is edited by H. W. Massingham, a noted literary man, and a very strong supporter of the Liberal policy for many years. It was only to put these two matters right that I intervened in the debate.

Senator REID (Queensland) [8.53].—I do not propose to enter into a comparison of the figures which Senator Ferricks has quoted, but there is one phase of this matter which I should like to refer to, and which I trust the Government will take up. I cannot conceive for a minute that any officials would deliberately fake the votes given, either by the soldiers at the Front or by the people in Australia. If, however, there is such an officer in the Commonwealth Service, he ought to be punished as the law will allow. These charges have been made here to-night, and made with a purpose.

Senator FERRICKS.—My charge was in regard to the soldiers' votes at the referendum.

Senator REID.—I know that. But I am going into the charges which the honorable senator or some of his friends made in the same way, because the officials themselves are not in a position to defend themselves. In my opinion, the ballot should be looked upon as a sacred thing so far as it concerns the voice of the people. The people should have an assurance that the voting is secret and unknown to any one unless a case is taken before the High Court.

Senator NEEDHAM.—And your leader to-day attempted to destroy the secrecy of that ballot.

Senator REID.—Whatever Mr. Hughes attempted to do, he did not succeed in doing anything.

Senator NEEDHAM.—But he tried to do it.

Senator REID.—I am not concerned about what Mr. Hughes tried to do. What I am concerned about is that the people of Australia should have complete faith in their laws being carried out by their own officials. The wild charges which are made against electoral officers about faking votes, and so forth, should be put an end to. I trust that the Government will give the officers an opportunity of going into a law Court to disprove the charges when they are made

outside and not under cover of parliamentary privilege.

Senator MILLEN.—It is Senator Ferricks who can give a chance to the officials.

Senator FERRICKS.—The man who did the faking is in another place, leading the House.

Senator REID. — The charge I am going to refer to was made in public. Senator Ferricks made his statements here, of course, under parliamentary privilege, but similar statements were made at the declaration of the poll in North Brisbane by the present member for Brisbane (Mr. Finlayson). He said that the figures were faked, that he had information to prove that they were faked, and that when he got down to the House in Melbourne they would learn what he was going to do, and so forth. We know exactly the value of Mr. Finlayson's statements in Brisbane so far as any value is put upon them. What concerns me, and what I think concerns not only the people of Brisbane, but the whole of the people of Australia, is that these charges will go forth to a certain class of persons whom Senator Ferricks knows, and that they are likely to stick. He plays upon the ignorance of a section of the public, and so a great deal of harm is done. I do not care what punishment Senator Ferricks would bring about if we should ever fake a ballot. I am with him every time in desiring to maintain the purity of the ballot-box. But I submit that it is wrong for him, or any other member of Parliament, to get up and make charges unless he has positive proof. By interjection to-night I asked him what proof he had of the charges he was making against the officials.

Senator FERRICKS.—I said nothing about the officials. The votes were allocated from London.

Senator REID.—The honorable senator implied that the votes were faked. I put to him this question, "What proof have you that the votes were faked?" and he did not give me an answer.

Senator FERRICKS.—I am waiting for the Minister to give an explanation.

Senator REID.—I point out that votes can only be faked by officials, or by officials acting under the direction of somebody else. If the honorable senator or any other member of Parliament has any proof that the figures were faked, they should

bring it forward. If they have a case, Senator Ferricks is entitled to come here and continue to ask questions until he gets the Government or the officials cornered. I do not object to that.

Senator FERRICKS.—I am not after the officials.

Senator REID.—I am after the officials, or the people who the honorable senator says faked the numbers.

Senator FERRICKS.—I said that the Prime Minister faked them.

Senator REID.—I hope that the Government will give Mr. Oldham, the Chief Electoral Officer, an opportunity to challenge Mr. Finlayson to come and prove his charges in a Court.

Senator NEEDHAM.—He made the statement outside of Parliament.

Senator REID.—I appeal to the Government to give Mr. Oldham a chance to prove his honesty in a Court. It is only fair to the officials that they should get such an opportunity. Mr. Oldham is hampered in his position by a member of Parliament hurling these charges about. It is not altogether on account of an official that I feel so strongly about this matter. This statement is one of those dirty insinuating facts which are always coming from honorable senators on the other side to pollute the minds of the people.

Senator FERRICKS.—It is a good thing that you call the statement a fact.

Senator MILLEN.—Is it not a fact?

Senator REID.—The fact is that Senator Ferricks and his friends are continually making these insinuations against Government officials. In his address to-night, the honorable senator was directly insinuating that the figures were faked.

Senator FERRICKS.—Yes, in the election.

Senator REID.—And I point out that similar charges were made in reference to the figures for the last election. I am concerned about preserving the good name of Australia and giving the people confidence in its laws and the officers who are appointed by Parliament to carry them out. I am anxious that the character of the officers shall be defended when it is attacked. I sincerely ask the Government again to give Mr. Oldham a chance to challenge Mr. Finlayson and punish him for making false statements. I believe that the statements are false. I do not think that there is an official in Australia who would interfere with the votes

of the people for the sake of any Government. That is why I wish to see all this "dirt slinging" brought to an end. It has been going on long enough. I hope that the Government will inquire into the figures, give an answer to Mr. Finlayson, and afford Mr. Oldham an opportunity of defending his character and producing the papers in Court, so that Mr. Finlayson may have to answer for the wild charges he has made, and his insinuations against the honesty of the officials.

Senator MILLEN (New South Wales—Vice-President of the Executive Council) [9.0].—In a sense I feel that the Senate is under some obligation to Senator Ferricks for bringing up this matter to-night. Whilst we may feel thankful to him for doing so, I do not know that his action is going to raise him in the esteem either of the members of this Chamber or of the people outside.

Senator FERRICKS.—I will chance that.

Senator MILLEN.—The honorable senator commenced by saying that he had suspicions, and brought them here for the purpose of having them cleared up. But it was not long before he declared that there had been deliberate fake in connexion with this matter. A man cannot claim that he has merely a suspicion when he makes a charge of that kind, and when, as Senator Ferricks did, he follows it up a little later by an interjection charging the Prime Minister of this country with being responsible for the fake.

Senator FERRICKS.—I think he was, too.

Senator MILLEN.—The honorable senator assents to my statement as to what he said, and now repeats it. If an honorable senator feels that he is in a position to make a definite charge of that kind he should also be in a position to lay the facts upon the table of the Senate. He sits opposite secure under the privilege thrown over him for the purpose of discharging a public duty, and makes a definite charge that the Prime Minister of the country has been guilty of tampering with the votes of the electors, or, to use his own terms, is responsible for faking the vote. Let the honorable senator produce a scintilla of evidence in support of that charge, and the Senate, as well as the country, will know what to do.

The honorable senator asks for an inquiry. What good would an inquiry be to him? If an angel from Heaven came

down to witness in this matter Senator Ferricks would not believe him, because it does not suit him for political and party reasons. Doubting Thomas was not in it with this honorable senator who asks for evidence. Statements have been made a dozen times about the figures to which the honorable senator has referred, and yet he continues to go around the country professing to believe that those statements are incorrect, and that in spite of them the figures were faked.

I ask honorable senators to consider for a moment the flimsy nature of the so-called facts which Senator Ferricks ventured to present as being evidence in support of his professed suspicions. He reminded the Senate that there was a provision in the law which allowed the poll to be declared providing that not more than 2 per cent. of votes recorded were outstanding. In conformity with that provision the declaration of the poll was made, and the votes then outstanding being less than 2 per cent. of those recorded, and insufficient to affect the verdict, were counted later on and added to those already counted to make the totals finally gazetted. The honorable senator says that the proportion in which the votes counted later were given for "No" was a very different proportion to that of the votes previously counted.

Senator FERRICKS.—There was an overwhelming difference.

Senator MILLEN.—That is true, and that is the reason why I think the honorable senator is to be thanked for having brought this matter up. It enables me to say that in the later votes counted there was a very large proportion of votes recorded under section 9 of the Compulsory Military Service Referendum Act. Those votes which were impounded were referred to special tribunals to have their validity tested before they were recorded.

Senator FERRICKS.—Good old gag!

Senator MILLEN.—They were the votes of persons of German descent, and there were 20,600 of them. Is it marvellous in the circumstances that the proportion of "No" votes as against "Yes" votes amongst them was 100 to 1? Not at all. Senator Ferricks has conferred a benefit upon the public life of this country when he affords us an opportunity of this kind to show what became of those 20,000 odd German votes.

Senator FERRICKS.—Good old gag!

Senator MILLEN.—The honorable senator says that this is a good old gag, which is proof that he is not seeking information and has not brought this matter up hoping that his fears and suspicions may be swept on one side. It is, on the contrary, a clear admission on his part that, no matter what evidence to the contrary is furnished, the honorable senator is prepared to wilfully follow the course he has followed to-night and go trailing these reckless statements throughout the country.

Let me give figures to show how the section 9 votes were recorded. The honorable senator was condescending enough to say that there was not much exception to be taken to the way in which the votes were dealt with in New South Wales and in Victoria, but the reason why there was no very great discrepancy in regard to the proportion of "No" and "Yes" votes for New South Wales and Victoria is that in those States the section 9 votes were comparatively small in number. In New South Wales they numbered 2,917, so small a number that even Senator Ferricks was not able to discover any considerable discrepancy in connexion with those votes recorded after the poll had been declared. In Victoria the section 9 votes numbered 2,289, again an insignificant total. But when the honorable senator turned to Queensland he was able to say that there was something like a seven to one majority in favour of "No." Discarding odd numbers, there were 7,000 for "No," and something over 1,000 for "Yes." But the explanation is to be found in the fact that in Queensland there were 8,770 section 9 votes. Senator Ferricks has found satisfaction in that vote of seven to one in favour of "No" in Queensland, and the figures show that it was due to the votes impounded under section 9 of the Act recorded by persons who were not friends of the British Empire, and who supported, for that reason, the view of conscription taken by honorable senators opposite.

Senator FERRICKS.—They put the honorable senator's party into power.

Senator NEEDHAM.—Mr. Glynn invited the German votes in South Australia.

Senator MILLEN.—If he did, he did not get them. If we turn to South Australia, we find there another instance of the "No" vote strongly in evidence. I do not remember the exact figures, but

honorable senators will remember that of the votes counted after the declaration of the poll there was a considerable majority recorded for "No." But there, again, we find that 6,924 votes were impounded under section 9 of the Act. I again ask honorable senators whether there is any cause for surprise in the mind of any healthy man that a majority of the impounded votes should be found to have been recorded for "No" at the referendum. It was just what was to be expected.

Senator FERRICKS.—We did not appeal to Germans to vote "No." Senator Guthrie did appeal for their votes, and in the German language.

Senator GUTHRIE.—He did nothing of the sort.

Senator FERRICKS.—The honorable senator's advertisement appeared in the *Daily Herald*.

Senator MILLEN.—I think that the attitude adopted by Senator Ferricks during my short remarks is a sufficient justification for the statement I made a little while ago, when I said that he was not out for information or seeking to allay his suspicions.

I turn now to the statements the honorable senator made regarding the votes recorded by soldiers at the Front at the recent election. The honorable senator, true to his instincts of an obviously and incurably suspicious mind, found some signs of dark deeds in the announcement that Mr. Oldham had cabled to Brigadier-General Anderson, directing attention to the fact that there were certain closely-contested seats, and calling upon him to expedite the despatch of the figures in relation to those seats. For the life of me, I cannot see anything in that but the action of a zealous official anxious to do his duty. There were certain seats trembling in the balance, and what happened then happened upon many occasions before.

Senator FERRICKS.—Why was Brigadier-General Anderson told the seats that were trembling in the balance?

Senator MILLEN.—In order that the votes recorded abroad, having been allocated to their respective districts, the officials might concentrate their counting strength on the seats that were still in doubt.

Senator FERRICKS.—After the allocation, the counting was a relatively small matter, according to an official statement,

and could have been completed in twenty-four hours.

Senator MILLEN.—In answer to that, I have only to refer the honorable senator to the statement of the scrutineer of his own party, Sergeant McGrath.

Senator FERRICKS.—I did not say that; it was Mr. Oldham who said it.

Senator MILLEN.—Every one knows that these votes came out in batches, and it was not possible to count them all in the space of a few hours. The duties of the officers at Home, having obtained the votes, was to allot them in parcels to their respective districts; and seeing that the counting was not completed, what the Chief Electoral Officer did, I am sure, met with the approval of every elector in Australia. He asked for despatch in sending out the record of the votes which might determine the result in districts where the seats were in doubt. That was a very natural thing for him to do.

I direct the attention of honorable senators, as showing the bent of Senator Ferricks' mind, to the fact that when he mentioned that Brigadier-General Anderson was called upon to expedite matters, he added, "And he did it." Every honorable senator present knows the sinister way in which that was said. The words in plain print mean nothing in particular; but I am satisfied that every honorable senator who marked the way in which they were uttered knows that they were intended as an imputation against the honesty of Brigadier-General Anderson. He is one of the officials whose integrity has been impugned by Senator Ferricks to-night. But what evidence had Senator Ferricks for his imputations other than that of his own poisoned mind? He quotes from the *Freeman's Journal* and that reputable national journal, the *Melbourne Socialist*, to show that they have published certain figures which he accepts in spite of the contradiction of the officials and of the Government of this country. The honorable senator says that he prefers to accept the statements published in these newspapers. Where they got their information from the honorable senator does not know, and does not care. It is sufficient for him that he can take a newspaper cutting, to produce when he goes upon the platform as the basis for what he pleases to regard as his arguments.

Senator FERRICKS.—The honorable senator has not explained the 100 to-1 majority yet.

Senator MILLEN.—I am perfectly certain that I could never explain anything to the satisfaction of a man who would make the reckless charges that Senator Ferricks has made to-night. I should think that he would want no further evidence than that disclosed by the fact that the preponderance of "No" votes was accounted for by the votes that were impounded because of the nationality of those who recorded them.

Senator FERRICKS.—We did not ask for the German vote in the German language.

Senator GUTHRIE.—I did nothing of the sort. I made it absolutely clear that I did not want the German vote.

Senator MILLEN.—I do not care who wanted the German vote; I know who got it.

Senator FERRICKS. — The honorable senator's friends appealed for it.

Senator GUTHRIE.—They did not.

Senator MILLEN.—When you know that there is a parcel of votes put on one side under section 9 of the Act, when you know that there are over 20,000 of them, and that 75 per cent. of them are recorded in one way, it does not violate the secrecy of the ballot, in the sense of knowledge of the way in which individuals voted, if you say that "No" votes were represented by the votes of German groups in vast majorities. It is useless to argue with a man who overlooks the fact that the disproportion of "No" votes, which were those in dispute after the declaration of the poll, is accounted for by the votes recorded under section 9 of the Act.

Senator FERRICKS.—Not at all. The trouble is that those were not the votes in dispute.

Senator MILLEN.—If those were not the votes, where are the votes impounded under section 9 of the Act?

Senator FERRICKS. — They were counted before.

Senator MILLEN. — They could not have been counted before, because they were impounded and sent to special tribunals to test their validity. They were the last votes counted.

I want to get back to the evidence which Senator Ferricks brings forward to justify his statement that at the referendum the soldiers voted "No" rather than "Yes" on the question of conscription. He has furnished us with a statement published in the *Freeman's Journal* and the *Melbourne Socialist*.

Senator FERRICKS.—And the *Glasgow Weekly Herald*.

Senator MILLEN.—Which was honest enough to say that it quoted from the *Freeman's Journal*.

Senator FERRICKS.—And the *Manchester Guardian*.

Senator MILLEN.—I heard Senator Needham suggest that, but I doubt whether the honorable senator will find it in the *Manchester Guardian*.

Senator NEEDHAM.—It is there.

Senator MILLEN.—Then I venture to say that the *Manchester Guardian* does not accept responsibility for it, and acknowledges it as coming from the *Freeman's Journal*. That is not the newspaper from which we might expect to get this information when there were available a number of enterprising daily newspapers which could get the information beforehand.

Senator FERRICKS.—It would not suit their book.

Senator MILLEN.—It was left to a newspaper published in Ireland to discover these figures, and to publish them at the psychological moment. It did not suit the book of *Freeman's Journal* or any other anti-conscription journal to publish those figures except at that moment, or to publish them for any other purpose than that for which Senator Ferricks has used them in this country, and that was to mislead the people here as to the true attitude of the soldiers on the question of conscription. Against *Freeman's Journal* we have the statement of the Government, to which Senator Ferricks will attach very little importance.

Senator FERRICKS. — Considering the source from which it comes.

Senator MILLEN.—We have also the statement of our electoral officials in this country and in England, and, lastly, we have the statement of Sergeant McGrath. If there is any imputation against Mr. Oldham it is equally strong against Sergeant McGrath, and Senator Ferricks cannot make a charge in this connexion against Brigadier General Anderson without bracketing with him Sergeant McGrath, who was the scrutineer of the party to which he belonged.

Senator FERRICKS.—What had he to do with the allocation of votes?

Senator MILLEN.—He was supervising the whole scrutiny, and if Senator Ferricks' accusation means anything he is

charging Sergeant McGrath with being either a fool or a rogue, one or the other.

There is just one other matter with which I desire to deal. The honorable senator said the figures had been faked. I do not know, but the honorable senator is speaking for himself. I want to tell him however, that if I started faking votes at any time, I would fake them so that his side would not win one seat by thirteen or fifteen votes, as Mr. Finlayson did, and secure the Macquarie seat by eleven votes. The honorable gentleman charged us with faking. But does he not credit us with the capacity of doing things properly? I tell him this, that if ever the Government does start faking votes, which it is not likely to do, it will not stop at a paltry eleven votes to win a seat. I can assure the honorable senator in all solemnity that the thing will be done properly. But, of course, the honorable senator himself does not believe his own accusation about this faking of votes.

Senator FERRICKS.—Yes, I do.

Senator MILLEN.—The accusation does not carry conviction even to a man like Senator Ferricks himself, bluff this thing through though he may.

Question resolved in the affirmative.

Senate adjourned at 9.18 p.m.

House of Representatives

Thursday, 16 August, 1917.

The SPEAKER (Hon. W. Elliot Johnson) took the chair at 2.30 p.m., and read prayers.

PATROL BOAT, SYDNEY HARBOR.

Mr. JOSEPH COOK.—In reply to a question asked by the honorable member for Calare last week, I wish to state that the amount paid for the services rendered by motor launches for patrol work in Sydney Harbor was in 1914-15, £3,943; in 1915-16, £3,105; and in 1916-17, £1,896.

BUREAU OF NATIONAL SERVICE.

Mr. BOYD.—Will the Prime Minister state what steps he is taking for the establishment of a bureau to get over the shipping difficulty?

Mr. HUGHES.—I have this morning appointed Mr. Haldane, of the Postal Department, to be Director-General of a National Service Bureau. An office has been taken and a staff is being formed to carry on the work of the bureau. Mr. Whitehead, of the Victorian Public Service, has been appointed Director for this State, and I am expecting nominations for the position of Director for the States of New South Wales and Western Australia. In South Australia no dispute of any kind exists. The bureau will commence operations forthwith.

TRADING WITH THE ENEMY.

Mr. ANSTEY.—I wish to address a question to the Minister in charge of External Affairs. Will you, Mr. Speaker, tell me who that is?

Mr. SPEAKER (Hon. W. Elliot Johnson).—The question is not one which, strictly speaking, should be addressed to the Speaker; but I understand that there has been a re-arrangement of the Ministerial offices, and that the work which was formerly done by the Department of External Affairs has been distributed between the Departments controlled by the Prime Minister and the Minister for Home and Territories.

Mr. ANSTEY.—Then I address my question to whichever of those Ministers it may concern. I ask why the prohibition on trading in respect of Wehrenberg and Co. and about 200 other German firms in Japan, and against Beer, Sondheimer and Co., and about 200 other firms in the United States of America has been withdrawn. I refer to the *Commonwealth Gazette* of June and July last.

Mr. HUGHES.—I think that the question is one to which an answer has already been given. The prohibition relating to firms doing business in Japan was withdrawn at the instance of the Japanese Government, which has itself imposed a prohibition on the trading of the firms mentioned, making our prohibition unnecessary. As to the prohibition affecting the United States of America, if the honorable member will put a question on the business-paper, I shall endeavour to give him an answer to it to-morrow.

Mr. ANSTEY.—What possible objection can there be to the press of this country publishing the statement that appeared in the *Government Gazette* to the

effect that the prohibition orders had been withdrawn against these German firms?

Mr. HUGHES.—I do not know what objection there can be. Is the honorable member speaking of a prohibition that has been directed to the press? If so, I do not know anything of it.

Mr. ANSTEY.—The prohibition is not on the part of the censors, who are willing to allow the publication, but it came from a member of the Government.

Mr. HUGHES.—I do not know anything of the matter. It may be that the journal with which the honorable member is connected proposed to utilize this matter for the purpose of reflecting on one of our Allies. Of course that could not be permitted.

Mr. ANSTEY.—By way of personal explanation, I desire to say that the Prime Minister wishes to ascribe to me a desire to reflect on one of our Allies. That statement is not correct. What I did wish to do was to make a reflection on the Government.

MILITARY POLICE AT PARLIAMENT HOUSE.

Mr. POYNTON.—I ask the Prime Minister whether any military police were at Parliament House yesterday?

Mr. HUGHES.—In view of the statement of the honorable member for Maribyrnong (Mr. Fenton), I made inquiries on this subject from the Defence Department, and have been furnished with a report, in which it is stated that no military police were in the vicinity of Parliament House yesterday. Therefore there was no truth in the statement made here.

Mr. FENTON.—By way of personal explanation, I wish to say I asked the Minister for the Navy whether the military police that were seen among the assembled crowd yesterday were there—

Mr. BOYD.—That is not the way in which the honorable member put the matter. He said that military police were there.

Mr. FENTON.—Whenever I rise, I am subjected to unruly interruptions by the honorable member.

Mr. BOYD.—I want the honorable member to be accurate.

Mr. FENTON.—The honorable member is not my censor.

Mr. SPEAKER (Hon. W. Elliot Johnson).—The honorable member for Maribyrnong (Mr. Fenton) has asked to be allowed to state his question in silence.

When an honorable member makes a request of that kind, it is the especial duty of the Chair to see that he is heard without interruption.

Mr. FENTON.—Seeing that there were military police in the crowd outside Parliament House yesterday, I was anxious to know whether they were there under instructions from the Defence Department, and, during the course of the reply of the Minister for the Navy, I said that they may have been merely sight-seeing. I think that it was a perfectly reasonable question to put, because it is generally understood that military police are merely to look after their own class, and when I saw them among a crowd of civilians I was anxious to know whether they were there under instructions or not.

Mr. HUGHES.—By way of personal explanation, I wish to say that this is a matter to which I attach considerable importance, and when I heard the statement of the honorable member I immediately saw the Minister for Defence, and asked him whether he, or any of his officers, had given instructions for military police to be in attendance. He said that he had given no such instructions, but that he would inquire whether any had been given. The report that I have referred to is that which has been furnished as the result of that inquiry. The Government would view with the greatest possible disfavour the introduction of military police into what is a purely civil matter, in regard to which there would be no excuse whatever for the introduction of the military. That is the attitude and the policy of the Government.

PAPERS.

The following papers were presented:—

Customs Act—Proclamation prohibiting Exportation (except under certain conditions) of Sulphate of Ammonia (dated 10th August, 1917).

Post and Telegraph Act—Regulations Amended—Statutory Rules 1917, Nos. 148, 152, 153, 154, 172, 175, 176.

Unlawful Associations Act—Regulations—Statutory Rules 1917, No. 177.

KALGOORLIE TO PORT AUGUSTA RAILWAY.

TRAFFIC RETURNS.

Mr. RICHARD FOSTER.—Has the Minister for Works and Railways the return that he recently promised to furnish

in regard to traffic operations on the Kalgoolie to Port Augusta railway?

Mr. WATT.—I have much pleasure in laying the return on the table.

Ordered to be printed.

AMERICAN FRUIT.

Mr. FINLAYSON.—Has the Prime Minister received a petition from Sydney fruit merchants requesting a modification of the embargo on American apples and other fruit; and, if so, does he propose to grant the request put forward?

Mr. HUGHES.—I have not received any such petition. I have many times stated the position of the Government in regard to this matter. The policy of the Government, and, I understand, of Parliament, is to encourage Australian industries and the consumption of Australian products. The question of allowing importations of fruit will not be considered until it is found impossible to give effect to that policy. The fruit-growers of this country have been consulted in reference to the matter covered by the honorable member's question, but they have not advised any relaxation of the restriction on importations, except possibly during December and January; and the Government are now considering to what extent, if any, the embargo may be relaxed during those months.

PUBLIC WORKS AND PUBLIC ACCOUNTS COMMITTEES.

Mr. RICHARD FOSTER.—Last week, the Prime Minister said that the Government would give consideration to the matter of appointing the Committee of Public Accounts and the Committee of Public Works. Has any step been taken in regard to the matter?

Mr. HUGHES.—Owing to the pressure of important matters, the Government have not been able to proceed further in the matter referred to. I hope, however, that the Cabinet will be able to direct attention to it shortly.

Mr. TUDOR.—Will it not be necessary to amend the Public Works Committee Act and the Committee of Public Accounts Act before these committees can be appointed, because both measures state that the committees must be appointed at the commencement of the first session of each Parliament, and this is not the first session of this Parliament?

Mr. HUGHES.—Speaking as a constitutional lawyer, I have to admit that the honorable member is perfectly correct. I can see very plainly that he has been using his leisure for a purpose which is very far from frivolous, and I commend him for it.

ZINC PRODUCERS ASSOCIATION.

Mr. GREGORY.—I would like to ask the Prime Minister whether there are any regulations gazetted under any Commonwealth Act specifying and defining the scope, power, and control of an association known as the Zinc Producers Association?

Mr. HUGHES.—I do not know whether there are any regulations under any Act relating to this association. If the honorable member will give notice of this question, I can furnish a detailed reply to-morrow.

DEPORTATION OF UNDESIRABLES.

Mr. GREGORY.—Will the Prime Minister consider the advisability of issuing a regulation, under the War Precautions Act, enabling him to deport undesirables?

Mr. HUGHES.—I do not know. If we commence deportation, it appears to me that the result will be that whoever happens to be in the majority will deport all those on the other side of the House, and that those who have the first opportunity of so acting will hold office for ever.

INDUSTRIAL CRISIS.

Mr. CONSIDINE.—Is it the intention of the Government to take any steps towards bringing about a conference between those who are primarily engaged in the existing industrial disturbances in New South Wales—the Commissioners of Railways, on the one hand, and the railway and tramway employees on the other hand—with a view to bringing the trouble to an end?

Mr. HUGHES.—No.

Mr. FOWLER.—In view of the possibility of the present industrial troubles completely isolating Western Australia from the other parts of the Commonwealth, with very serious results in regard to food supplies, will the Minister for the Navy take precautions to maintain

communication with Western Australia by sea, at any rate, until the transcontinental railway is completed?

Mr. JOSEPH COOK.—I do not quite know what powers I have in the direction suggested by the honorable member.

Mr. FOWLER.—You have at your disposal naval forces which might man the ships.

Mr. JOSEPH COOK.—I suggest to the honorable member that he should address his question to the Prime Minister. I believe that the Shipping Board is now controlled by Senator Russell. I should like to say in a general way, however, that the Navy Department is taking steps to see that the transports leave at their appointed time with their appointed freights. By freights I mean cargo as well as men. Whatever resources are at the disposal of the Navy Department will be exercised to the full in order to attain that object.

Mr. BRENNAN.—In view of the notification in the press and elsewhere that the Government propose to employ the Navy, so far as it can be employed, to overcome the difficulties arising through the strikes, does the Minister for the Navy propose that those persons in the Navy who decline to assist in strike-breaking in any way shall be put on trial under the naval and military laws?

Mr. JOSEPH COOK.—It is quite unusual to answer questions founded on hypothetical circumstances.

Mr. MATHEWS.—In connexion with the arrest of Miss Adela Pankhurst yesterday the newspaper reports imply that many more arrests are to follow. I ask the Prime Minister to assure me that there will be plenty of blankets available in the gaol when I am collared.

Mr. HUGHES.—As parliamentary representative of the Castlemaine Woollen Mills, which produce blankets, I shall certainly see that an order is placed with that establishment so that when the honorable member's time for imprisonment comes, he will have plenty of covering.

SHARES OF ENEMY COMPANIES.

Mr. ANSTEY.—In the *Government Gazette* recently appeared a notice that a number of shares were to be put into the hands of the public trustee on behalf of Der Deutsche Bank, Der Dresdner Bank, and Der Disconto Gesellschaft. Are those shares to remain in the hands of the

public trustee until after the end of the war; if not, what is to be done with them?

Mr. HUGHES.—To the best of my knowledge, I gave the public trustee orders to sell all shares of enemy companies some three or four months ago. Yesterday when I was asked a question in reference to these shares I learned that they had not been sold, but the public trustee informed the Solicitor-General, from whom I obtained my information, that the matter of dealing with some thousands of enemy shares involves a good deal of detail work. However, he has completed his arrangements, and he proposes to sell the shares as soon as possible. That applies to the shares mentioned by the honorable member as well as others.

BONUSES FOR INDUSTRIES.

Mr. FENTON.—As the system of bonuses has been helpful in stimulating some of the industries of the Commonwealth, is it the intention of the Minister for Trade and Customs to continue that system, especially in regard to industries that are struggling to keep their heads above water in competition with the products of cheap labour countries?

Mr. JENSEN.—Cabinet has now under consideration the question of bounties and bonuses for Australian industries.

IMPORTATION OF LUXURIES.

Mr. KELLY.—Some time ago I received a circular from an association, and signed by Mr. Mauger, with reference to the importation of luxuries. I made several inquiries of Mr. Mauger, one of which was in reference to the quantities, not merely the prices, of goods imported. I have received no reply or acknowledgment of my communication, and I should like to ask the Minister for Trade and Customs whether he can see his way to provide the House with that information, as all members received the same circular?

Mr. JENSEN.—The circular was sent to me, and I wish to state emphatically that the facts were not placed before the public in their true light. It mentioned merely the value of importations, and not the quantity of goods entering Australia. I know for a positive fact that many imported articles have risen in price from 20 per cent. to 70 per cent., and that very few articles are now imported which do

not show an increase of at least 20 per cent. over the purchase value in 1915. Therefore, figures as to the value of importations are not a true criterion of the quantity of goods imported. I can assure honorable members that there has been an enormous falling-off in the quantities imported.

Mr. TUDOR.—The honorable member for Wentworth asked the Minister to supply the particulars in regard to quantities that are omitted from the circular. Is it possible to supply those figures until six or eight months after the close of the year?

Mr. JENSEN.—It is impossible to give a detailed statement of goods imported at this time of the year.

STOCKHOLM CONFERENCE.

REPRESENTATION OF AUSTRALIAN VIEWS.

Mr. BRENNAN.—Since the Prime Minister, uninvited, made representations to the Imperial Government in regard to Labour representation at the Stockholm Conference, will he see that the censorship in this country is so far relaxed as to enable organized Labour in Australia to make representations as to its desires in connexion with that matter?

Mr. HUGHES.—I shall consider the question.

AUSTRALIAN WHISKY.

Dr. MALONEY.—I desire to ask the Minister for Trade and Customs whether it has been brought under his notice that Australian-manufactured whisky, which has a certain amount of protection from the Excise duty, is being blended with imported spirits and sold in bottles with labels purporting that it is imported whisky?

Mr. JENSEN.—The matter has been brought under my notice. In view of the fact that manufacturers of Australian whisky enjoy a good protection under the Tariff—the Excise being less than the import duty—and also the double protection afforded by reason of the enormous freight costs on imported spirits, I think that they would be well advised if they recognised that their products should be sold as being of Australian manufacture. Australian spirits, once the Excise duty has been collected, are released from any further control so far as the Commonwealth is concerned. It is a matter for the State

authorities to see that whisky and other spirits made in Australia are sold as such.

Mr. CONSIDINE.—Arising out of the answer which the Minister for Trade and Customs gave to a question in regard to the prohibition or protection—

Mr. SPEAKER. (Hon. W. Elliot Johnson).—Order! I would remind the honorable member that it is not in order to address to Ministers questions arising out of answers previously given by them to questions on the same subject. This practice, if permitted, would give rise to an irregular debate.

PACIFISTS AND PEERS.

Mr. KELLY.—I desire to ask the Prime Minister whether he is aware that the pacifist influences in this country have recently circulated amongst members the speeches of three aged peers who, for some considerable time, have retired from their political inactivities, and whether he will make inquiries as to whether there is any close connexion between those peers, with their somewhat vague statements, and those bodies in our midst who appear to be against every form of war except industrial warfare?

Mr. HUGHES.—I am not to be regarded, even on my worst days, as a peripatetic *Burke's Peerage*. My knowledge of the male peerage, at all events, is very small. I shall make inquiries as to the alleged connexion, illicit or otherwise, between the parties named. Nothing would surprise me in regard to what they have been doing. Neither age nor experience seems to affect either one of them. If I can discover anything tangible I shall be glad.

Mr. BRENNAN.—I desire to ask the Prime Minister if, in the interests of a better appreciation of the true position in this country generally, he will be good enough, when looking up the names of the distinguished gentlemen associated with pacifists in the Old Country, to acquaint the honorable member for Wentworth (Mr. Kelly)—

Mr. SPEAKER.—I regret to have to interrupt the honorable member, but he is now distinctly asking a question arising out of an answer given, a few moments ago, by the Prime Minister, to a question put to him by the honorable member for Wentworth (Mr. Kelly).

Mr. BRENNAN.—Not at all, sir. I think the honorable member for Wentworth must have been well aware that I contemplated asking this question, and that he rather anticipated me.

Mr. SPEAKER.—If the question which the honorable member desires to ask does not arise out of an answer given by the Prime Minister to a question relating to the same subject he will be in order in putting it, but not otherwise.

Mr. BRENNAN.—The question that I desire to put to the Prime Minister arises entirely from the honorable member for Wentworth's well-known general want of knowledge of this subject, and has no necessary reference to his special exhibition of want of knowledge a few moments ago. I wish to know in these circumstances whether the Prime Minister would be gracious enough to acquaint the honorable member with the fact that one of these distinguished peers is an ex-Governor of Victoria, and another—

Mr. SPEAKER.—Order! The honorable member is not in order in putting such a question. It is a well-known principle that questions shall be put to elicit information, but the honorable member is now endeavouring to impart information instead of seeking it.

Mr. BRENNAN.—On the point of order, sir, I shall content myself with the statement that I shall be very pleased to give the honorable member for Wentworth in private the information he so sadly lacks.

Mr. SPEAKER.—Order! I call the attention of the House to the fact that an attempt is now being made to utilize in an irregular way the time set apart for notices of motion and questions. That cannot be permitted. Legitimate questions may be put to Ministers, but I cannot allow the time of the House to be taken up in the putting of questions that are quite irregular.

Mr. KELLY.—By way of personal explanation, sir, I wish to point out that the honorable member for Batman (Mr. Brennan) suggested that I had deliberately anticipated a question he proposed to put. I had not the slightest idea that he proposed to ask a question on this subject, or that he regards himself as an authority on the Peerage; but I can assure you, sir, that it was with no malice

that I trespassed upon his particular domain.

POST AND TELEGRAPH DEPARTMENT: AWARDS.

Mr. BRENNAN.—In the absence of the Postmaster-General, who, I understand, is ill, I desire to ask the Prime Minister if it is a fact that the Government have in contemplation a regulation—or have passed a regulation—which will have the effect of giving to other than members of organizations the benefits of awards made under the Public Service Arbitration Act?

Mr. HUGHES.—As *locum tenens* for the Postmaster-General, I am unable to pump up an effective answer to the honorable member. I do not even know what is the point to which the honorable member refers. I can only say that it has no relation to his former question.

DISTURBANCE AT RECRUITING MEETING.

Mr. PIGOTT.—Has the Prime Minister noticed from to-day's newspapers that a wilful and wicked attack was last night made by pacifists, in a most militant manner, on ladies assembled—

Mr. BRENNAN.—I rise to a point of order. The honorable member is now endeavouring to do precisely what you, sir, in your wisdom, prevented me from doing just now.

Mr. SPEAKER (Hon. W. Elliot Johnson).—When the honorable member for Batman rose, I was about to call the attention of the honorable member for Calare to the fact that he was doing what the honorable member for Batman had been forbidden to do.

Mr. PIGOTT.—Has the Prime Minister noticed from the press reports that a wilful and wicked attack was made—

Mr. SPEAKER.—Order! The honorable member cannot ask a question of that kind. Under cover of asking a question, the honorable member is making certain statements, and expressing an opinion about the actions of people outside. Strictly speaking, questions are not in order which are based on paragraphs appearing in a newspaper, unless the member makes himself responsible for their

accuracy; and the honorable member distinctly stated that his question had reference to something which had appeared in a press report.

Mr. PIGOTT.—Is the Prime Minister aware that an attack was made on ladies, who were holding a recruiting meeting in Queen-street, by pacifists who assembled—

Mr. ANSTEY.—I rise to a point of order. My point is that these people were not pacifists.

Mr. SPEAKER.—I remind the honorable member that it is distinctly not in conformity with the dignity of the House to raise points of order of a frivolous character.

Mr. PIGOTT.—Will the Prime Minister see that some protection is given to those ladies who, assembled at a recruiting meeting, are alleged to have been attacked by members of the Pacifists Association?

Mr. HUGHES.—As a humble and very abject belligerent in this great contest, I can quite appreciate the feeling of the lady friends of the honorable member who are confronted by these very determined pacifists, and I shall do what I can to protect them. Perhaps the honorable member will let me have further particulars, so that, in my anxiety to do good, I may not protect the wrong ladies.

NEW WORKS: ESTIMATED COST.

Mr. GREGORY asked the Treasurer, *upon notice*—

1. Has he noted a recent recommendation made by the Committee of Public Accounts that when the estimates of New Works are submitted to Parliament, they should show the estimated cost of such work when completed?
2. Will the Treasurer publish the estimated completed cost of the various important works for which provision is being made on this year's Estimates?

Sir JOHN FORREST.—The answers to the honorable member's questions are as follow:—

1. Yes.
2. The total amount required to complete all works included in the Estimates is already shown in each case, except in the following instances:—

(a) Sydney General Post Office, new public hall, and other alterations—
Amount provided, £10,000.

The total estimated cost is £18,000.

(b) Brisbane Parcels Post Building: An amount of £250 was provided in the Estimates in order to meet certain preliminary expenses. As the pro-

ject has fallen through the provision will not now be required.

(c) Adelaide General Post Office—

Amount provided, £2,500.

The total estimated cost, according to latest advices, is about £79,000.

I regret this was not shown in the Estimates. It was inadvertently omitted.

(d) General Arsenal Works and Buildings—

Amount provided, £150,000.

The total estimated cost is £930,000.

This should have been shown in Estimates, but was inadvertently omitted.

COMMONWEALTH STEAMERS.

Mr. HIGGS asked the Treasurer, *upon notice*—

1. Has he or any of the officers of his Department any official information concerning the details of expenditure in connexion with the purchase, maintenance, and cost of working the Commonwealth line of steam-ships; if so, where are the said details shown in the Estimates of Receipts and Expenditure for the year ending 30th June, 1918?

2. What control or supervision has the Treasurer over receipts and expenditure in connexion with the Commonwealth line of steam-ships?

Sir JOHN FORREST.—The answers to the honorable member's questions are as follow:—

1. Yes. The details are not yet available, but it is hoped to be able to present them shortly.

2. The same control as is exercised by the Treasurer in relation to Trust Accounts.

Mr. HIGGS asked the Prime Minister, *upon notice*—

1. On what date does he propose to introduce a Bill to legalize the expenditure of £2,068,000 for the purchase of a Commonwealth line of steam-ships?

2. Is he aware that on the 14th December, 1916, the Minister for Trade and Customs, speaking for the Prime Minister, said, "A measure to deal with this matter will shortly be introduced." (See *Hansard*, 14th December, 1916)?

Mr. HUGHES.—I refer the honorable member to the reply given to his previous question on the subject.

SULPHATE OF AMMONIA: EXPORT.

Mr. PIGOTT asked the Prime Minister, *upon notice*—

Whether he will place an embargo on the export of sulphate of ammonia, and so protect the interests of agriculturists by conserving for them a necessary fertilizer?

Mr. HUGHES.—A proclamation prohibiting the export of sulphate of ammonia without the consent, in writing, of

the Minister for Trade and Customs, was gazetted on the 10th instant.

VALUATION OF LAND BILL.

Mr. PIGOTT asked the Prime Minister, *upon notice*—

1. Whether he proposes to follow the example of New Zealand in introducing a Commonwealth Valuation of Land Bill, providing for one standard of valuation to be applied to lands resumed for repatriation and closer settlement, also for Federal and State land taxes, probate duties, and municipal rates?

2. If so, will he bring in a Bill at an early date?

Mr. HUGHES.—The matter will receive consideration.

AUSTRALIAN IMPERIAL FORCE.

SINGLE AND MARRIED MEN: SOLDIERS' LETTERS.

Mr. WEST asked the Minister representing the Minister for Defence, *upon notice*—

Whether he will state—

1. How many single men have volunteered as members of the Australian Imperial Force since the declaration of war?

2. Also, how many married men?

Mr. JENSEN.—The answers to the honorable member's questions are—

1 and 2. It is not possible to give the information asked for in respect of men who have volunteered, but the following figures, which have been compiled in respect of 255,148 embarkations, are furnished:—

Officers—			
Married	....	...	2,466
Single	....	...	3,203
Widowers	....	...	49
Other ranks—			
Married	....	...	36,929
Single	....	...	210,621
Widowers	....	...	1,880

Mr. FINLAYSON asked the Minister representing the Minister for Defence, *upon notice*—

1. Whether it is true, as stated in the press, that it is proposed to stop delivery of letters and parcels sent by soldiers abroad to friends in Australia if they contain certain information likely to be of use to the enemy?

2. Whether this action is due to any failure on the part of the Censor to stop such information being sent?

3. Whether some method, short of actual stoppage of delivery, cannot be adopted to meet the necessities of the position?

4. Whether it is proposed to advise persons to whom letters and parcels are addressed in each case, as it occurs, that delivery will not be made, because of a violation of the departmental decision?

Mr. JENSEN.—The answers to the honorable member's questions are as follows:—

1. Yes.

2. No. The notice in question is in the nature of a warning to the persons concerned as to the action that will be taken in such cases.

3 and 4. It is expected that the warning will be sufficient.

COST OF BAKING BREAD.

Mr. SINCLAIR asked the Prime Minister, *upon notice*—

Whether it is true that day baking of bread costs the consumer 4d. per loaf more in Sydney than it does in Brisbane or other cities where night baking is resorted to?

Mr. HUGHES.—I am advised that the increased cost by day baking is approximately one half-penny per 4-lb. loaf.

PRIME MINISTER'S DEPARTMENT.

"INTELLIGENCE OFFICER."

Mr. HIGGS asked the Prime Minister, *upon notice*—

1. Whether a new position, viz., that of "intelligence officer" has been created in his Department recently?

2. What are the duties of the said "intelligence officer," the salary he is to receive, and the allowances by way of expenses?

Mr. HUGHES.—The answers to the honorable member's questions are as follows:—

1. The position has not yet been created, but provision for it has been made on the current year's Estimates.

The duties, briefly defined, include, *inter alia*, the preparation of matter for public information arising out of the activities of the Prime Minister's Department and the Government's financial and commercial schemes; the proper arrangement and cataloguing of the large number of newspaper cuttings, and official and other publications from all parts of Australia and the Empire, and extracting therefrom information relating to matters of local public interest and to Australia generally which are likely to be useful to the Government. The salary is £504 per annum. There are no allowances by way of expenses.

ARMY ORDNANCE CORPS.

Mr. WEST (for Mr. RILEY) asked the Minister representing the Minister for Defence, *upon notice*—

1. Is the Minister aware that the employees in the Ordnance Department are being asked to enrol in a permanent Ordnance Army Corps?

2. As a special Commission is now inquiring into the business part of the Defence Department, and as this corps is being hurried into

existence, will the Minister see that everything in this connexion is stopped until the Commission has completed the inquiry and presented its report?

3. Will the Minister undertake to see that any of the employees who have been in the Department practically the best part of their lives, and who object to join this corps, will not be penalized or turned adrift as a consequence of such refusal?

4. As all the employees have to resign their present positions before joining the corps—and many of them have practically a life's service in the Department—will the Minister see that all rights accruing are preserved to them, and that the retiring age existing under the present regulations will be the same in the new corps in their cases?

5. Does the Minister, in the light of past experience, think that the giving to the Military complete and absolute control in this matter will make for efficiency and economy in a Department that is practically a business institution?

Mr. JENSEN.—The answers to the honorable member's questions are as follows:—

1. Yes. All permanent employees of the Ordnance Department have been invited to state whether they desire to join the Permanent Army Ordnance Corps, and, approximately, 90 per cent. have voluntarily expressed their desire to do so.

2. So far from this corps being hurried into existence, its formation has been contemplated since 1902, and probably earlier. The object of the regulation in respect to the formation of an Army Ordnance Corps is to enable this branch of the service to take its correct place in the military organization, as in all other armies of the civilized world. One of the main points aimed at in forming the permanent corps is to enable a corresponding militia organization to be formed consisting of selected men who are employed on corresponding duties in business houses, and whose services would thus be available to augment the permanent staff and administer all ordnance services in camps on mobilization. The Chairman of the Royal Commission was informed by the Minister of his intention to take action in this matter and offered no objection. It is not proposed to defer action.

3. Yes.

4. That all employees have to resign their appointment is incorrect. Only those serving under the Public Service Act—approximately, 20 per cent.—would be affected. Provision has already been made in the regulations for the conservation of all rights appertaining to the present conditions of the service of these men.

5. The Ordnance Department in the several States have not been under complete military control at any time. Portion of the staff is under the control of the Public Service Commissioner and portion is serving under the Defence Act. The regulations recently promulgated will eventually abolish the dual control now existing.

INDUSTRIAL CRISIS.

SYDNEY STRIKE.

Mr. WEST asked the Prime Minister, *upon notice*—

1. Can he inform the House whether, in connexion with the industrial dispute in New South Wales, the men have any objection to a mere change in clerical work?

2. Is there not already in existence a system of booking the time on work which provides ample data for readily arriving at the cost of any and all work?

3. Can the Prime Minister say whether, at a recent conference between American War Office officials and Mr. Samuel Gompers, President of the American Federation of Labour, on the question of war munitions production, Mr. Gompers laid it down as a condition of labour co-operation in the scheme that the Taylor card system should not be permitted?

4. Does the Prime Minister know whether a recent report was issued by the Commission appointed by the Imperial Government to inquire into the question of industrial unrest?

5. Is the Prime Minister aware that in 1910 Congressman Benger, of Wisconsin, introduced a motion in Congress, in order to save the lives of the workers, making the Taylor card system illegal in any industry?

Mr. HUGHES.—The answers to the honorable member's questions are as follows:—

1. I know nothing of the matter.

2. I cannot say.

3. I do not know.

4. No.

5. No.

RETAIL PRICE OF SPIRITS.

Dr. MALONEY asked the Minister for Trade and Customs, *upon notice*—

1. Is it a fact that, prior to the imposition of the present duties of Customs and Excise, the retail price of the best brands of imported whisky had been increased from 6s. to 6s. 6d. for a bottle of ordinary size?

2. Is it a fact that, while the price of imported whisky was 6s., that of Joshua Bros. was 4s. 6d.; and that when the price of the imported article was increased to 6s. 6d., that of Joshua Bros. rose to 5s. 6d.?

3. Was there any advance in the prices of materials or manufacture to justify the increased cost of 1s. a bottle on the stock the firm mentioned would, in the ordinary course, have on hand?

Mr. JENSEN.—The answers to the honorable member's questions are as follows:—

1. Certain retailers, it is understood, made an increase in price, as stated. The ruling price in the retail trade for the best brands of imported whisky on the 1st instant was, however, 7s. per bottle.

2. Joshua Bros. are distillers, and do no retail trade. I am informed that no increase was made by them in their price to the trade.

3. See answer to No. 2.

CORDITE FACTORY.

Mr. STORY asked the Treasurer, *upon notice*—

1. In connexion with the site, buildings, and engineering works for the Cordite and Cartridge Factory at Maribyrnong—(a) What was the total amount expended last year; (b) what is the estimated expenditure this year; (c) what was the estimated amount required to complete these works?

2. Has this proposal been investigated, as required under the provisions of the Public Works Committee Act?

Sir JOHN FORREST.—I have been informed—

1. (a) £21,061; (b) £25,731; (c) owing to exigencies of the war it has not been possible to prepare definite estimates of total cost of additions that may be required to the Cordite Factory.

2. This expenditure has been necessitated to deal promptly with war requirements. It is regretted that the necessary Order in Council to exempt the expenditure from the provisions of the Public Works Committee Act was not put through. The total given in answers to question (a) and (b) of 1 are made up of separate expenditures, none of which exceed £20,000.

DUTY ON SACKS.

Mr. HIGGS asked the Treasurer, *upon notice*—

1. Whether it is intended by the Government to remit £165,000 duty on corn and flour sacks, as stated at page 194, Estimates 1917-18?

2. Can the Treasurer say whether farmers and other users will get the benefit of the proposed remission?

Sir JOHN FORREST.—The answers to the honorable member's questions are as follow:—

1. Yes.

2. That is the intention of the remission.

EASTERN TRADE.

Mr. HIGGS asked the Prime Minister, *upon notice*—

1. On what date was a Royal Commission appointed to inquire into the matter of trade between Australia and Japan, Singapore, and the West Indies?

2. Who are the members of the Royal Commission, and on what date are they expected to present a report?

Mr. HUGHES.—The answers to the honorable member's questions are as follow:—

1. 7th February, 1917.

2. Senator the Honorable J. J. Long. I am unable to say when the report will be presented.

SUPPLY (Formal).

APPLE TRADE: PROHIBITION OF AMERICAN APPLES—MAIZE CROP: STARCH MANUFACTURE—GERMAN TRADE NAMES AND TRADE DESCRIPTIONS—MILITARY REGULATIONS: COMMISSIONS—"ONE-WOMAN-ONE-RECRUIT" ASSOCIATION—SALE OF GERMAN-OWNED SHARES AND INTERESTS—TRANSFER OF ARTILLERYMEN TO INFANTRY CORPS—IMPERIAL OIL COMPANY: HONORABLE MEMBER FOR ADELAIDE—PURCHASE OF COMMONWEALTH STEAM-SHIPS—ANZAC VOTE ON CONSCRIPTION REFERENDUM—HORSE-BREEDING: BRITISH BLOOD STOCK—PROHIBITION OF GERMAN TRADING FIRMS—LABOUR PRESS CENSORSHIP—POLICE AT PARLIAMENT HOUSE—NATIONALIZATION OF MEDICINE: SALE OF MEDICINE AND DRUGS—AUSTRALIAN METAL TRADE: GERMAN INTERESTS—STOCKHOLM CONFERENCE: PEACE TERMS—BRITISH IMPERIAL OIL COMPANY—MILITARY SERVICE OF MR. YATES, M.P.—INDUSTRIAL CRISIS.

Question—That Mr. Speaker do now leave the Chair, and the House resolve itself into Committee of Supply—proposed.

Mr. FINLAYSON (Brisbane) [3.22].—For some time past various questions have been asked regarding the embargo on the importation of apples from America. To-day I sought to get a final reply on the subject from the Prime Minister, but unfortunately we are no further forward now that we have heard his answer. I asked him if he had received a petition from Sydney. I had information yesterday that this petition was on its way, and a copy of it reached me to-day. It is as follows:—

Sydney, 14th August, 1917.

The Right Honorable W. M. Hughes,
Prime Minister, Melbourne.

Sir,

We, the undersigned, distributors of fruit in New South Wales, hereby request that you reconsider your decision in prohibiting the importation of American apples into the Commonwealth.

We are informed that you are to consider the matter at the end of September. This will be too late to allow of arrangements being made for shipments this season.

At the present time, apples are realizing up to 16s. per case, and, owing to shortage of supplies, will be practically unobtainable in October, except a small quantity now being held by speculators in cool stores.

We feel sure you have no wish to see the fruit trade exploited by these speculators, and trust that you will consider this petition favorably, and give us your decision promptly, as all we ask is permission to import from the 9th October to 14th December.

Duffy Bros. Co. Ltd., D. J. Duffy, manager.
W. H. Price.
Caddy, Lee, & Co., A. V. Caddy.
W. Stoyles.
P. S. Peters.
Weymark & Son Ltd., J. Weymark, director.
H. Reid & Co.
M. J. Madigan.
J. H. Trevarthen Ltd.
Bart Allen & Son.
F. Carroll.
P. B. Reedy.
Fred. Chilton.

Mr. W. P. Cooksley, writing to me on behalf of the Brisbane fruit merchants, under date 24th July, says—

Dear Sir,

As chairman of recent meeting of fruit importers, I desire to place before you our Queensland position with reference to the proposed embargo on American apples. As far as it is possible for us to see, the present supply of Tasmanian apples will be exhausted about the end of September.

The present quality is far from perfect, and is in no wise free from diseases, which would in other years have prevented their admission into the States.

From the month of October to the end of the year, Queensland is very short of her own local fruits, which makes her dependent upon imported apples to supply the demand.

In the western districts and inland towns the want of this class of fruit will be felt severely, as it practically is the only fruit that will carry satisfactorily.

Tasmanian apples coming to Queensland out of cold storage late in the year are not a success, as the half of them are decayed before reaching here.

Trusting you will impress upon the Minister the importance of this matter.

I have received letters on the same lines from various fruit merchants in Brisbane. The Prime Minister has told us that the fruit-growers do not advise the relaxation of the embargo, unless possibly for the months of December and January. But I can quote opinions expressed by them which are an absolute contradiction of that view. The following is a report of the meeting of the Victorian Annual Conference of Fruit-growers in 1916, which appeared in the *Fruit World* of 1st October, 1916—

Mr. Mair (Tyabb and Hastings) moved—“That an increased duty be placed on American apples.” Mr. Griffith spoke against this motion, as he thought that if the duty on American fruit coming into Australia was increased, America would adopt the same attitude towards Australian fruit, and this would

be detrimental to the working up of trade between America and Australia. On the motion being put to the meeting, it was lost.

In the *Fruit World* of 1st December, 1916, appears the following report of a meeting of the Australasian Conference of Fruit-growers which was held on the 31st October and 1st and 2nd November, 1916:—

Mr. Tucker (New South Wales) moved—“That increased duties be placed on imported fruits.” He had been a fruit-grower for thirty-three years, and had an up-to-date orchard, but if protection were not secured, he intended to give up the industry, and go in for pig-raising. (Laughter.) Australia could store fruit to keep up supplies throughout the year; but America had the advantage of natural ice, which gave cheaper storage. Growers in Australia should maintain control of the Australian markets rather than build their hopes on a problematical American market. Dr. Benjafield (Tasmania) seconded the motion. The importation of American apples, he stated, would be ruinous to our cool stores. American Sturmers were now fetching 14s. per case on the Sydney market, because they were highly coloured—although tasteless and inferior to the Tasmanian fruit—whereas he was now getting only 7s. a case on the same market for his finest Sturmers. Mr. J. H. Lamb (Victoria) spoke against the motion, and stated that this proposal had been turned down at State Conferences. The present protection was very high, as, including cost of production, freight, and other charges, apples could not be landed from San Francisco under 12s. per bushel. The imports of American apples, he thought, was showing a tendency to decrease. Mr. G. Griffith (Victoria) stated that, with the opening of the Panama Canal, they were in a position to land fruit as cheaply in New York as in London.

Mr. Shoobridge (Tasmania) advocated Free Trade in fruit, and said their object, as growers, should be to cheapen fruit, so as to increase the consumption. Australia could grow every kind of fruit as well as any place in the world, and should be able to stand against all competitors. As to our cold-storage fruit being killed by imports, he instanced Doncaster, where the cost of storage amounted to only 1d. per case a week. This left ample margin to meet competition. Mr. Chilton (New South Wales) stated that they should study reciprocity with other countries. The present duty on citrus fruits was 4s. 2d. per cental. He had received numerous inquiries from America for Australian fruits. The motion, on being put to the meeting, was lost on the casting vote of the chairman.

In the *Fruit World* of 1st May, 1917, there is this report of the council meeting of the Victorian Fruit-growers Central Association, held on 26th April of this year:—

A letter which had been received from Mr. H. H. Davey from the *Fruit World*, and published in our last report of the executive meeting, at which meeting a motion was carried in

keeping with that carried at the Australian Conference of Fruit-growers, protesting against placing a prohibitive duty on American apples, was read. It was understood that the Prime Minister intended to prohibit the importation of apples during the period of the war. This action was being supported by the New South Wales and Tasmanian Fruit-growers' Association. A discussion took place as to whether the council should take any further action in this matter. Mr. Mair moved that no action be taken by the council. He thought that the reason the Government intended to prohibit the importation of apples at the present time was because they required the shipping space for matters of more vital importance to the carrying on of the war, also in keeping with the intention of the Government to prohibit luxuries during the war. Mr. Lang stated that recently the Prime Minister, speaking at Harcourt, said that it was the intention of the Government to prohibit the importation of American apples to assist the fruit-growing industry. He understood, however, that, before taking action, the Prime Minister intended to confer with an Advisory Committee. Mr. Lawford stated that the question to be decided was, whether Victoria was in favour of prohibition or not. He favoured a reciprocal trade. (Hear, hear!) Mr. Hatfield questioned whether the action promised by the Prime Minister would be to the interests of the Australian fruit-grower, as Victoria could certainly not compete with the American fruit when on the market here, as the quality was much better than the Victorian apples, which had to be taken out of cool stores. He thought it would be the same on the American market; Australian fruit would be more likely to capture the market than the American cool-stored fruit. After further discussion, the following motion was moved by Mr. J. H. Lang (Harcourt):—"That the Prime Minister be informed that this association, and also the Australian Fruit-growers' Conference, has always been opposed to raising any bar against the importation of American apples, even to the extent of increasing the duty. These associations have had in view the very great possibilities of America as a market for Australian fruit, and, therefore, have at successive annual Conferences favoured the policy of a practically open door. We further desire to say that we do not in any way wish to influence the Prime Minister in any decision he may make with the object of conserving freight during the war." This motion was seconded by Mr. Hubbard, and carried.

I have now given chapter and verse for my statement regarding the attitude of the fruit-growers of Victoria and Australia generally in this matter. The statements that I have read are in direct contradiction of that of the Prime Minister to-day. The right honorable gentleman is interfering in a matter with which he is not acquainted, and his evident want of knowledge is leading to a most unfortunate position, so far as the fruit-growers and fruit-consuming public of Australia

are concerned. I have been in almost continuous consultation on this subject with the Minister for Trade and Customs who, being himself an orchardist, is well acquainted with the position. Of course, I have no record of the honorable gentleman's opinion, but I am disposed to think that he views rather favorably the request that has been made, particularly from Sydney and Brisbane, for permission for the importation of American apples for the latter part of the year. The Minister for Trade and Customs, who would naturally be expected to control this matter, is not allowed to give effect to his knowledge; the Prime Minister's veto overshadows his actions, and the public must suffer in consequence. On the 26th July the honorable member for Capricornia (Mr. Higgs) drew attention to the price of apples in Australia. One has only to look into the windows of retail shops to see apples ticketed at anything from 5d. to 6d. per lb., and information is readily obtainable to show that the wholesale rates for fruit run from 12s. to 16s. per case. To my knowledge, most of the fruit now selling has been in cold stores for a considerable time. It was bought up by speculators at 6s. to 8s. per case, and is held by them in cold stores, and, as it is only allowed to be dribbled out to the public, an artificial shortage is created. The public are not only fleeced in regard to the price, but they are also limited in the matter of the amount of fruit that is allowed to go into consumption. A rather peculiar commentary on that position of affairs is the fact that almost daily there is a statement in the press by the Prime Minister, or by those who are advising him in this matter, pointing out how necessary it is that the public should eat fruit, and particularly how advisable it is that they should eat apples. For some time we were deluged with all sorts of suggestions in the press as to how beneficial, useful, and healthy apples were as an article of diet, and as to how easily they could be prepared for the table.

I submitted a question to the Minister for Trade and Customs on the 27th July, and, in reply, he promised to have a return prepared showing the amount of fruit that is available in Australia. Any determination as to whether apples should be imported should be based upon that information. No honorable member could

put up an argument in favour of the importation of apples from America or elsewhere if there were sufficient fruit available in Australia. The information placed at my disposal by the Minister for Trade and Customs has enabled me to form an estimate as to what fruit there is available in Australia. I understand that there are 200,000 cases in Queensland, New South Wales, Victoria, South Australia, and Western Australia. The returns from Tasmania are not quite complete, but, according to such information as is available, there are probably 200,000 cases in that State.

Mr. LAIRD SMITH.—There is considerably less than that quantity in cold storage in Tasmania.

Mr. JENSEN.—For the information of the honorable member, I may state that there are about 400,000 cases of apples throughout Australia in cold storage and in orchardists' sheds.

Mr. FINLAYSON.—I thank the Minister for that information. I was basing my calculations on a rough estimate of 400,000 cases being available at the present time. On the average, the normal consumption of apples in Australia is about 40,000 cases per week. When fruit is cheap there is no difficulty in disposing of 60,000 cases per week, but 40,000 cases per week is the normal consumption, and, with fruit at its present price, I question whether the consumption now is over 30,000 cases a week. Taking the normal consumption at 40,000 cases per week, the quantity of apples now available in Australia will supply us for not more than ten weeks. If the rate of consumption be reduced, the quantity should last for three months, but that can only be done by artificial restrictions, either through the imposition of higher prices or by limiting the quantity to be taken out of cold storage. In that way the supply might be made to last until the end of October.

A request was recently made through the Prime Minister to the Minister for Trade and Customs for permission to import 75,000 cases from America during this season. Last year, when there was a fairly good crop in Australia, we imported 142,000 cases from America, and in order to show that this importation did not have any detrimental or disadvantageous effect on the fruit-growers

of Australia, I have only to refer honorable members to the report of the Fruit-growers' Conference. They say that there should be an open door. They do not even suggest any limitation as to the number of cases to be imported or any increase of duty. Therefore, if, during a good year, Australia could afford to import 142,000 cases without any detrimental effect to the fruit-growing industry, it is an easy thing to show that when there is an admitted shortage of fruit, such as we have experienced this year, there should be no trouble in disposing of the limited quantity of 75,000 imported cases, which is all that the fruit merchants are asking to be allowed to import this year.

Mr. FENTON.—Will the honorable member explain why tons of apples were wasted last year because they were not considered worth picking?

Mr. FINLAYSON.—That was not due to the importation of fruit from abroad. It was due to the local fruit-growers having an extraordinarily good crop.

Mr. RODGERS.—It was due to over production.

Mr. FINLAYSON.—I do not think there can be any over production in the matter of fruit.

Mr. RODGERS.—It was the fault of our methods.

Mr. FINLAYSON.—The honorable member is now modifying his statement. He is right in saying that the fault lies in our methods of distribution. The main trouble last year was to get the fruit to the people at such a low price that they would be ready to purchase it.

Mr. GREENE.—Does not the main trouble lie with the retailers?

Mr. FINLAYSON.—My experience is that the main source of trouble is the bad facilities provided by railways and shipping companies. If the honorable member for Wide Bay (Mr. Corser) would go down to the wharf and see the way in which oranges from Maryborough are handled, he would see a sight that would be enough to make him shed tears of blood. The accommodation that the shipping companies provide for fruit is simply disgraceful.

But the fruit that is now available in Australia is in cold storage, and the other difficulty arises that, when it is taken out of cold storage, it must be put

into immediate consumption or go bad. Within a month the fruit that is now available in Sydney and Brisbane will be absolutely useless, because it will not carry over a journey that will take more than a day by rail or by steamer. Neither Broken Hill, nor Bourke, nor any western town of New South Wales or Queensland can possibly hope to see an apple after the end of this month until February, when probably the new crop will be available. Between the end of the Australian fruit season and the beginning of the new season, the only way in which the supply of fruit to the outlying portions of Australia has been maintained has been by importing American fruit.

MR. FENTON.—Is it not subject to the same disabilities as Australian fruit, seeing that it comes in cold storage from America?

MR. FINLAYSON.—No; because it is packed so carefully, and treated in such a way that, when it is landed here, it is capable of being carried to any part of Australia without danger of decay or loss. One of the happiest features of progress in Australia to-day is the fact that the fruit-growers are largely copying the American system of packing and preparing fruit for market.

MR. BAYLEY.—Would it not be possible to treat the surplus fruit in Australia in the same way, and make it available for transport?

MR. FINLAYSON.—I believe that the time is coming when we shall be able to take our surplus crop, particularly apples, and treat it in such a way as to make it available as the Americans can make theirs available; but that time has not yet arrived. Furthermore, at the normal rate of consumption of fruit, the quantity now available in Australia will not last more than nine or ten weeks, and it can only be made to last longer by artificially limiting the consumption, either through increasing the price, or by reducing the quantity made available from cold storage.

The Prime Minister suggests that he will review this matter at the end of September, but by that time our stocks in Australia will be nearly exhausted. It takes ships three weeks to come from America, so that, even if the Prime Minister is favorably disposed, and arrangements are

made immediately, there will be at least a month or five weeks in which there will be no fruit available. The Minister for Trade and Customs knows that arrangements have to be made a very considerable time ahead with the fruit-growers in America in order to secure space on the steamers. Any one acquainted with overseas shipping knows that arrangements have to be made months ahead; so that, even if arrangements were set in hand immediately, I question if it would be possible to land the first shipment of apples by the 8th October.

MR. BAMFORD.—Who should make the arrangements?

MR. FINLAYSON.—The fruit merchants have their arrangements in hand. They are merely waiting for information from the Minister for Trade and Customs to the effect that the importation will be permitted. They suggest that only half the amount should be imported this year as compared with what came in last year. The reason for this is the fact that the vessels are not now available. There will not be the cold storage available to bring the larger quantity across from America. If arrangements are made immediately, and 75,000 cases are imported, they will only last, at the outside, from the 8th October to the end of December. The fruit that would be imported could be easily absorbed by Queensland and New South Wales without a single case of American fruit being available for other States, and by Christmas there would not be an imported apple left in Australia. There is no possibility of competition with the local article, or detriment to the Australian fruit-grower, by allowing this importation to take place. The Prime Minister says there must be no importation, and the public are being misled—I do not think, deliberately—by reports in the press regarding the difficulty fruit-growers are likely to have in regard to the disposal of their surplus crop, and there is talk of providing machinery to supply dried fruit to the British Government and the markets on the other side of the world. But that surplus is in connexion with next year's crop, and, judging by the splendid rains which have fallen in the fruit-growing districts, and the present indications of the forthcoming season, the apple-growers will have an extraordinarily good yield. Probably in those circumstances

they will be wise in placing an embargo on importations which would deprive them of the Australian market, but that position has not yet arisen, and cannot arise for the next six months. If the American apples which are now prohibited were allowed to enter the Commonwealth, they would disappear before the end of this year. The Minister for Customs has been offered a guarantee that if American apples are allowed to be imported, not only will they be absorbed by Queensland and New South Wales alone, so that there can be no detriment to the fruit-growers of the other States, but the prices to the consumers will be limited.

Mr. BAMFORD.—Does the retailer agree with that?

Mr. FINLAYSON.—I think we can depend on the retailer. When there is any possibility of an arrangement in regard to prices, it is not the retailers, but the wholesalers, who are responsible. That is true, not only of apples, but of every other commodity. It is much easier for half-a-dozen wholesale men to come to an arrangement with regard to prices than it is for the retailers.

Mr. BAMFORD.—The retailers have surmounted that difficulty in Melbourne and Sydney.

Mr. FINLAYSON.—No, they have not. There are opportunities for the wholesale men to come to an arrangement with regard to prices, and that is being done at the present time.

Mr. BAMFORD.—You are speaking with inside knowledge.

Mr. FINLAYSON.—Of course I am. I have already referred to the fact that the apples now being supplied to the public were bought months ago by speculators at less than half the price they are charging the consumers to-day. In fact, a letter appeared in this morning's press from a retailer, who stated that he was paying 12s. a case for apples, and when he weighed up the fruit he found that at the price at which he was selling he was actually making a loss.

Mr. LAIRD SMITH.—What quantity of Australian apples is sold in America?

Mr. FINLAYSON.—I have not the figures for America.

Mr. LAIRD SMITH.—No apples are sent there, because the American people will not buy them.

Mr. FINLAYSON.—I am sorry the honorable member makes that statement, because the Australian fruit-growers are

not of his opinion. They are most anxious to cultivate trade with America, and one of the peculiar facts in connexion with this matter is that whilst, on the one hand, we are talking about the advisability of appointing a Trade Commissioner in America to promote the sale of Australian products, we are, on the other hand, saying to Americans that we do not want their products to be sent to Australia. Fruit-growers have sent experimental shipments to America with gratifying success, and through the agency of the Panama Canal they are in as close touch with New York as with London. There are very good opportunities for promoting the sale of Australian fruit in America. The seasons of the two countries are opposite. While the American fruit season is on the Australian season is off, and so there ought to be a reciprocal arrangement.

Mr. LAIRD SMITH.—But state how much Australian fruit has been placed on the American market.

Mr. FINLAYSON.—I do not think that question is germane to my argument, when I have been able to show that we have not enough fruit in Australia to supply our own needs, and that we require to supplement Australian fruit by importations from America. In a return placed on the table of the House on the 8th August, at the request of the Leader of the Opposition, these figures in regard to the export of apples occur—

—	Centals.	Cases, Estimate.	Value.	Per Case, Estimate.
			£	
1914	637,475	1,600,000	424,475	5s.
1915	217,587	540,000	138,706	5s.
1916	596,011	1,500,000	373,477	5s.
1917	113,403	284,000	96,090	6s.

Honorable members will see that last year we exported nearly six times as many cases of apples as we exported this year. The decrease was not alone due to the fact that there was limited shipping space available, but was equally due to the circumstance that we had not the same quantity of fruit available. There is a shortage of fruit this year, and it is in order to make good that shortage that I appeal to the Minister to remove the existing embargo on importations. I ask him to take that step now because it is necessary to immediately make arrangements if the fruit is to be landed in Australia in time

to be of any service at all. If the Minister waits till the end of September the whole machinery of importation will be thrown out of gear, and instead of the fruit arriving here to supply the market when Australian fruit is exhausted, there will be two or three months of an interregnum between the exhaustion of the local article and the arrival of the imported. In any case, if the importation of apples immediately began with the first ship leaving America, which would be due to arrive here about the 8th October, we could not possibly import more than 75,000 cases before the end of the year, and that quantity could be absorbed without the slightest trouble, and certainly without any detriment whatever to the fruit-growers of the Commonwealth. Next year, when, we hope, a big crop will be available, we can deal with the importation question in the light of the circumstances then obtaining. But to-day there is no reason or justification for a continuance of this prohibition. It is unfair to the people of Australia, and will tend to maintain the price of apples at the present rate, with increases as the season advances.

Mr. LAIRD SMITH.—What did the grower get in the Australian market at the beginning of the season?

Mr. FINLAYSON.—About 4s. or 5s. per case, and at one period it was almost impossible to get buyers. The responsibility for that lies with our inefficient methods of distribution. It is not the grower who is getting the big prices now, but rather the speculators who have held the fruit in cold storage and forced up the prices. It is all very well to talk about protecting the grower; the unfortunate fact remains that he is so much tied up with banks and other financial institutions that he is glad to take the best price he can get, and, although the wholesalers are getting to-day 16s. per case, the growers from whom they bought the fruit probably did not get more than 6s. or 7s. It is not fair to the consumers of Australia, or to the growers of America, that the prohibition of importation should be continued a day longer.

Mr. FENTON.—Has America surplus supplies to send here?

Mr. FINLAYSON.—There is plenty of fruit available in America. The American crop is like our own—when it is available the growers desire to sell. They can hold up their supplies much easier than

we in Australia can, and thus insure a continuity of supply all through the year. Unfortunately, we in Australia have not reached that stage.

Mr. FENTON.—Is the honorable member speaking of the United States of America or Canada?

Mr. FINLAYSON.—Of both. Of the 75,000 cases of apples to which I have referred, two or three shipments will come from Vancouver and the balance from San Francisco. If those apples are allowed to land here there would be no competition with the Australian fruit, and our fruit-growers, if the reports of the annual conference are to be taken as a guide, are neither opposed to the importations of American fruit nor in favour of any additional duty being imposed upon it. Therefore, I hope that the Minister will review this prohibition at an early date.

Mr. LAIRD SMITH (Denison) [4.4].—I trust that the Minister will give this question most earnest consideration before he removes the embargo on importations.

Mr. WEST.—The honorable member is speaking for the Tasmanian fruit-grower.

Mr. LAIRD SMITH.—I am considering the consumer as well as the producer, and I have yet to learn that when the American apple was allowed to enter Australia free of duty the consumer was able to buy apples one cent. cheaper. In fact, prices were higher than they are at the present time. There are no American apples on the Australian market to-day, but there are to be seen in shop windows apples equal to any that have ever been placed before the public. And this, notwithstanding that in Tasmania and other parts of the Commonwealth last season the moisture was so excessive as to give rise to a great deal of black spot, in consequence of which apple-growers suffered considerable loss.

The honorable member for Brisbane (Mr. Finlayson) failed to inform the House that those for whom he was speaking in making this proposition wanted a fulcrum on which to place a lever to bring down and keep down the price of Australian-grown apples. The apple market has not been cornered by any body of persons in Australia. Small growers in Tasmania have themselves placed apples in cool storage. We have there about 70,000 cases in cool storage, while a number of cases are also stored in orchard

sheds. As the honorable member has stated, at the beginning of the season it was not possible to obtain more than 3s., 4s., and 5s. a case for apples. In such circumstances, many small growers refrained from rushing their fruit on the market. Instead of doing so, they put it into cool storage, and they are looking to the prices prevailing to-day to save them from considerable loss. They are, after all, obtaining only a reasonable price for their fruit.

Mr. FENTON.—What is a payable price?

Mr. LAIRD SMITH.—Speaking from my own personal experience, I would say that a grower should receive for his apples at least 5s. a case in the orchard if he is to work his land to the best advantage.

Mr. HEITMANN.—That would be a low average price.

Mr. LAIRD SMITH.—It is a low price.

Mr. BAMFORD.—In that estimate of 5s., does the honorable member include the cost of cases and packing?

Mr. LAIRD SMITH.—Yes.

Mr. FINLAYSON.—I think it is a fair thing.

Mr. LAIRD SMITH.—Quite so. I do not hold any special brief for the orchardists of the Commonwealth. There are not many apple-growers in my electorate, but I am anxious that the industry should be fostered. I have been informed by men who can speak with authority that it is impossible to get Australian apples on the American market. That being so, why should we give the American growers a preference over our own producers?

Much has been done by private enterprise in Tasmania to establish cool stores, and these stores have been successfully employed by the small growers. I am informed that the owner of the cool stores in my State gives the growers better terms than can be obtained in respect of either the Victorian Government cool stores or the co-operative cool stores a little way out of Melbourne. In short, it costs more to put apples into cool storage here than it does in Tasmania. I am hopeful that cool storage in Tasmania will be considerably increased, so that the small growers may have an opportunity to conserve their supplies, and, by placing their fruit on the market at regular intervals, be able to keep their industry going as a fairly payable proposition. The value at-

taching to fruit-growing land is given to it only by the trees thereon. I question whether any bank would advance a shilling an acre on orchard land except for the fruit trees upon it. Such land is of very little value for other purposes. In the early days, what was known as third class land in Tasmania could be obtained for 10s., and even 5s., per acre, because its value for fruit-growing purposes was then unknown. To-day the position has changed, and large areas which were at one time thought to be of very little value are now devoted to apple-growing.

I am prepared to show the honorable member for Brisbane a letter and a cablegram that I have received urging that the Government should not allow the market to be flooded with American apples to the detriment of Australian orchardists, who, during the last two years, have passed through hard times.

Mr. WEST.—There are on sale in Sydney to-day Western Australian apples which are better than those from Tasmania.

Mr. GREENE.—The fruit merchants, who exploit both the public and the grower, are the worst possible menace to the industry.

Mr. LAIRD SMITH.—And the honorable member for Brisbane has been putting before the House the case for the fruit merchants of Sydney and Brisbane. As to the interjection made by the honorable member for East Sydney (Mr. West) I would say that the apple production of Western Australia is very small compared with that of Tasmania. Western Australian apples are carefully graded, and they colour up very well. Tasmanian apples may lack the colour of those grown in Western Australia, but their flavour is infinitely better. The Western Australian growers get their fruit on the London market a fortnight before the Tasmanian apples, and, catching the early market, thus obtain higher prices.

Mr. HEITMANN.—The honorable member will find Western Australian apples being sold in Tasmania.

Mr. LAIRD SMITH.—I realize that the honorable member is not quite in earnest. My chief concern is for the grower and the consumer in the Commonwealth. We, in the Commonwealth, hope next year to have a production of

6,000,000 bushels of apples, and it is questionable whether we could ship more than 1,500,000 bushels, even if they are evaporated, and place them on the Home market.

Mr. TUDOR.—That has not been possible even in the best year.

Mr. LAIRD SMITH.—I hope that it will be in the near future, otherwise we shall have a glut on the Australian market. I also trust that the local consumption of apples will increase.

Mr. TUDOR.—Unless freights come down to one-fourth of what they are today I am afraid it will not pay to grow either wheat or apples.

Mr. LAIRD SMITH.—I disagree with the honorable member. If we have a crop of 6,000,000 bushels next year we shall have to utilize the local market to its utmost capacity, and what we cannot consume here must be evaporated and sent to our men at the Front.

Mr. TUDOR.—They would be of no use to the men at the Front.

Mr. LAIRD SMITH.—Is not the honorable member aware that the men at the Front at the present time are consuming large quantities of apples treated in the way I have just mentioned?

My desire is that the apple-growing industry shall be fostered. I object to the attitude taken up by a number of gentlemen who, at certain times, proclaim themselves Protectionists, but at other times are Free Traders.

Mr. WEST.—The honorable member is a Free Trader on matters affecting himself.

Mr. LAIRD SMITH.—Not at all. I am not a geographical Protectionist; I hope the Government will give very careful consideration to this matter before yielding to the request that has been made by the honorable member for Brisbane (Mr. Finlayson). The honorable member was careful to mention that his request came from importers of apples in Sydney. He named them, but I regret that he did not name the Brisbane importer to whom he also referred.

Mr. TUDOR.—Did not the Prime Minister say this afternoon that the Government had under consideration the advisableness of allowing apples to be imported during December and January?

Mr. LAIRD SMITH.—I think not. We have no objection to their coming in once our own apples are off the market. We strongly object, however, to the admis-

sion of American apples at the present time, seeing that small growers have considerable quantities in cool storage. The return which the Minister for Trade and Customs is having prepared will disclose the quantity of apples in cool storage in the Commonwealth.

Mr. JENSEN.—About 400,000 cases.

Mr. LAIRD SMITH.—Once we know the number of cases in cool storage it will be a simple matter to calculate how long the supply will last. Once the local supply has been exhausted the growers will not object to American apples coming in until such time as the next crop is available.

I hope that steps will be taken to increase the cool storage available to our orchardists. A vast sum of money is to be spent on silos for the protection of our wheat; why should we not assist our orchardists by extending our cool stores?

Mr. TUDOR.—The farmers themselves will have to pay for the silos.

Mr. LAIRD SMITH.—And the fruit-growers will be prepared to pay for the cost of providing increased cool storage. I shall not take up further time except to ask the Minister to consider well before he is influenced by the strong representations which are bound to be made to him by the honorable member for Brisbane (Mr. Finlayson) and the gentlemen he has named.

Mr. HIGGS (Capricornia) [4.20].—I should first like to draw attention to the objectionable manner in which questions are being answered concerning the expenditure of £2,068,000 on Government steam-ships. It is nearly a year ago that we were promised a Bill to deal with this matter, and I have brought it under the Prime Minister's notice from time to time, with the only result that a measure has been promised "as soon as possible." Hundreds of thousands of pounds are being spent, and hundreds of thousands of pounds are being received by somebody; and I venture to say that neither the Treasurer nor his officers know anything about the business. These methods are irregular, and I hope that honorable members opposite, who pride themselves on their commercial knowledge, will see that the matter is attended to. We on this side, though strong in intellect, are few in numbers, and we can do nothing, especially with a gentleman of the disposition of the Prime Minister, who

allows his utterances to be coloured by his vindictiveness.

Mr. RODGERS.—This is a business in connexion with which the whole House ought to be jealous as to its position.

Mr. HIGGS.—I am pleased to have that encouraging and approving remark from the honorable member, for this is not a party matter, or, at any rate, it ought not to be.

Mr. RODGERS.—I was going to say, further, that the honorable member who is speaking happened to be a member of the Ministry when the purchase was made.

Mr. HIGGS.—I am quite willing to answer that interjection. The Prime Minister had to get the money, and some one had to give authority for the expenditure. This authority could not be got from the Commonwealth without the Treasurer's consent, and I, as Treasurer, gave consent.

Mr. RODGERS.—You were accessory before the fact.

Mr. HIGGS.—But I am not an accessory to the delay in the introduction of a Bill to make the expenditure legal, nor am I responsible for the delay in furnishing honorable members with information as to the methods adopted in the carrying out of the scheme—the number and names of the captains and officers, and all connected with the transaction.

As Prime Minister we have a most eloquent gentleman, who has paraded before the country as a great anti-German. Some honorable members on this side, who have ventured to speak in favour of peace, he has described as pro-German. It will be remembered that the Prime Minister went to England and electrified the people of the Old Country by speeches and methods, which, I think, are open to some criticism.

Mr. FENTON.—Subject to the Censor, of course.

Mr. HIGGS.—I do not think any one censored the Prime Minister's speeches, unless he censored them himself.

Mr. FENTON.—I refer to your criticism.

Mr. HEITMANN.—The statement that the honorable member for Capricornia (Mr. Higgs) made at Bendigo, in reference to the Anzac vote, was not censored.

Mr. HIGGS.—I am prepared to reply to that interjection. I made that statement in regard to the Anzac vote when addressing the electors at Bendigo, and

when I wished to prove that in Australia there was an intolerable censorship. I told the audience that I was about to make a statement concerning the Anzac vote which would not appear in any newspaper in Australia on the following day, and I quoted from a statement which the honorable member for Brisbane (Mr. Finlayson) had shown me in the *Glasgow Weekly Herald*—as an extract from another newspaper—that the Anzac vote was, I think, 106,000 against, and 40,000 or thereabouts for.

Mr. BAYLEY.—Did you tell the audience in which newspaper the original statement appeared?

Mr. HIGGS.—I am not sure that I did. The point is that there was a censorship regarding the Anzac vote; and, after my statement to the people at Bendigo the Prime Minister and his supporters were in a difficulty. The statement was, I believe, kept out of the Melbourne newspapers at the time, but the Government were compelled to allow it to appear in the Bendigo newspapers in order that they might show I was wrong regarding the censorship.

However, I must revert to the speeches of the Prime Minister in the Old Country. There the right honorable gentleman was spoken of as a strong man of action—as not only a man who could talk, but a man who could do things. Recently, I asked a question about some shares that were held by enemy subjects prior to the war. It has been stated in the press that thousands of shares were so held at that time, and that they are now in the hands of the Public Trustee. The question I asked was how many of the shares had been sold, and the Prime Minister's reply was, "None." This is a very curious answer, in view of what appears in the book entitled *The Day, and After*. This book is described on the title page as containing more speeches by the Right Honorable W. M. Hughes, Prime Minister of Australia, with a preface by the Right Honorable Lloyd George, M.P., and as "printed by authority." The price marked is 1s.; but I understand that at Cole's Arcade, in Sydney, some hundred-weight or more of the volumes are marked "This lot 3d. each." Mr. Lloyd George, in his preface, describes the speeches in very eulogistic terms.

Mr. ANSTEY.—What is the flag of which a picture appears on the cover of the book?

Mr. HIGGS.—The flag represents the rising sun, which, of course, is the Japanese emblem; though I do not know what the honorable member means by his remark.

Mr. ANSTEY.—I do not mean anything; I merely ask a question.

Mr. HIGGS.—In one of these forceful speeches, on the need for a national policy, delivered at a conference at the City Chambers, Glasgow, on 28th April, 1916, the Lord Provost Dunlop in the chair, the Prime Minister, describing what had been done with the Germans in Australia, said—

Now, what we have done is this:—

“We,” of course, means the Australians—

We have wiped all these agencies out in Australia.

That is, German agencies—

We have purged every company of every German shareholder, whether he was natural-born or whether he was not. There is only one way in which you can do this thing—do it with such thoroughness that the Germans will avoid this country as though it were the very plague itself. We have compelled the companies to buy out. We have robbed no man, German or Englishman, of his fair rights. Every share that a German held has been bought at market price. So much is their due. Let them have their pound of flesh; but, in God's name, let them be gone!

Is it, or is it not, true that every company in Australia has been purged of German influence, or are these shares still held by Germans who are profiting by them?

Mr. JENSEN.—The shares are held by the Comptroller-General of Customs, and they are about to be sold in a day or two.

Mr. HIGGS.—The speech from which I quote was made last year in England, evidently misleading the people of the Old Land into thinking what a wonderfully loyal and patriotic place Australia is to cut out every German, and sell every German share.

Mr. JENSEN.—You will remember that before the Prime Minister left for England these persons were required to furnish statements to the Attorney-General's Department.

Mr. HIGGS.—But the point is that the Prime Minister told the people of England that every German had been cut out,

and every German share sold. The honorable member for Bourke (Mr. Anstey), in his publication *Hughes and His Views*, pointed out that these shares were still held by the Germans, and would be kept in trust for them by our public officials until after the war, when the Germans would resume their control.

Mr. BRENNAN.—That would not apply to ordinary working Germans.

Mr. HIGGS.—Ordinary working Germans employed on the wharfs at Rockhampton were deprived of work. International law appears now to be a dead letter, but, prior to the present war, it was held that, although in former times private, as well as public, property went to the conqueror, private property in modern times in every case remained sacred. If, for instance, Japan had thoroughly beaten Russia, she would have taken the public property of that country, but would have respected the rights of private ownership. I am not now discussing the ethics of the Prime Minister's proposal to sell these shares; I am merely pointing out that the right honorable gentleman told the people of Great Britain that the shares had been sold, whereas they are not yet sold. It is said, moreover, that the other day, when it was proposed to sell them, certain persons went to the Government and got the sale put off. If the Labour party had failed to act in a matter of this kind, we should have been described by the Prime Minister as pro-Germans. I should like to know what reply the Prime Minister has to make to the charge that he misled the public of Great Britain, and has failed up to the present time to deal with these shares in the manner in which he said they had been dealt with. I have it on the authority of the right honorable gentleman that hundreds of thousands of shares in Australian companies are in the hands of the Comptroller-General of Customs, who is acting as public trustee. Now that the question has been raised, the Government is prepared to act. Had it not been raised, the Prime Minister, who has been parading his loyalty throughout the country, would have done nothing, and the shares would have remained in the hands of the public trustee.

Mr. JENSEN.—When was the question raised?

Mr. HIGGS.—Yesterday.

Mr. GREENE.—The papers will show whether the question asked in this House yesterday led to the sale of the shares.

Mr. HIGGS.—The Prime Minister slept on the matter for some years, and we can only surmise that it would have been allowed to rest still longer had not the question been raised.

Mr. LAIRD SMITH.—The matter was under consideration when the honorable member himself was Treasurer.

Mr. HIGGS.—Apparently the Prime Minister still has it under consideration. I have never made a speech telling the people that a thing had been done which had not been done. The Prime Minister has misled the people with an inaccurate statement. The sooner the general public gets to know that it can rely very little on what he says the better.

Mr. CORSER (Wide Bay) [4.40].—Some time ago the producers of maize throughout Queensland approached the Prime Minister, through me, among others, to see what could be done to stimulate their industry, and, on the 8th of this month, I received the following letter from the Prime Minister's Department:—

With reference to your letter of the 29th May, and previous correspondence on the subject of the maize crop, I am directed by the Prime Minister to inform you that, in reply to representations in this connexion, the British Government advised that, as there was insufficient tonnage for wheat and flour, they were unable to negotiate for the purchase of by-products of maize.

I am to add that, so far, maize-growers have not availed themselves of the invitation of the Prime Minister to organize, and submit for consideration, a scheme for dealing with the problem, in view of the absence of oversea freight.

Many of us thought that action would have been taken in this matter before the imposition of new duties on Friday last. If the Excise duty on starch made from rice were increased to 2d. per lb., and the Excise duty on starch made from maize left at 1d. per lb., it would stimulate the use of maize. At least 1,000,000 bushels of maize could be used to make starch and other by-products. The rice used in this country is imported from countries in which it is grown by means of black labour, and when imported for the making of starch it is admitted duty free. But starch can be made of maize just as well as of rice, and 98 per cent. of

the starch used in the United States of America is made of maize. If the Government is desirous of helping the man on the land, it will give practical consideration to this question. In many parts of New South Wales, and in very many parts of Queensland, there are rich scrub lands on which wheat, barley, and many other cereals do not do well, because in a climate like that of Queensland, with such rich land, and a big rainfall, the straw grows so thick that it is impossible to property dry it before stacking, and thus mildew spoils the grain. It is only after the ground has been cropped many times that these cereals can be grown on it profitably. Much of that land is consequently put under grass for the pasturing of dairy cattle. It is a waste of land, which is as good as that at Warrnambool, to use it only for pasturage, and if encouragement were given to the growers of maize by guaranteeing, through the Tariff, a reasonable price for their production, this land would be largely devoted to maize growing. In my electorate, maize has been sold in small quantities for as little as 1s. 3d. per bushel. The Maize Products Proprietary, of Footscray, has stated in writing that if it had reasonable protection for its manufactures it would be able to give at least 4s. a bushel for maize, which would mean a price of more than 3s. per bushel to the growers, who are now getting from 1s. 3d. to 1s. 6d. per bushel. In Australia there is room for a population as large as that of the United States of America, where they have over 110,000,000 inhabitants, and grow over 3,000,000,000 bushels of maize a year, as against about 5,000,000 inhabitants here. Unless encouragement is given to the primary producer, good land will fall out of cultivation, and men will come from the country to compete with the labour already in the cities and towns. There is an Excise of 1d. per lb. on starch made from rice imported free, but when duty is paid on the rice, at the rate of 3s. 4d. per cental, the Excise is not levied. I suggest that, to encourage the manufacture of starch from maize, the Excise duty on starch made from rice should be increased to 2d. per lb., or the manufacture of starch from rice imported from black labour countries should be prohibited.

Another anomaly in the Excise duties is the fact that, although in America and elsewhere the product of maize is used very largely in the manufacture of beer, it is specially penalized in Australia. The Excise duty on ale, porter, or other beers not made exclusively from barley, malt, and hops, is 5d. per gallon, as against 6d. per gallon on ale, porter, or other beers made from barley, malt, and hops.

Mr. TUDOR.—Since then, the Tariff has been raised to 6d. and 7d.

Mr. CORSER.—Yes, last Friday. But the difference of 1d. is still there. Why should there be that difference? Why should the very product that is largely grown in Australia be penalized to that extent if it is utilized in the manufacture of ale or stout?

Mr. TUDOR.—In the same way, potatoes are prohibited from being used in the manufacture of spirit.

Mr. CORSER.—Probably potatoes do not produce a good spirit. If maize will provide a good material for the purpose of making ale and stout, why should it be penalized? If the product is not good, it will not be used. At any rate, I do not see why it should not be put on an even keel with the other items. Then, again, in regard to glucose. The honorable member may say that I am up against sugar, but I do not support any particular industry. I support every industry that needs support. The glucose that is manufactured in Melbourne from maize is used by brewers and confectionery manufacturers, and why should it be penalized?

Mr. TUDOR.—It is not. There is no Excise on glucose now. It was wiped out in 1914.

Mr. CORSER.—There is an importation of glucose, mostly from America.

Mr. TUDOR.—Very little has been imported during the last year.

Mr. CORSER.—But, after the war, it will come in again. If the factories know that, after the war is over, they will be protected to the extent of that, through the war, they are now, they will manufacture glucose from maize. It is no encouragement to an industry, especially in a new country such as Queensland is, where there are very few things that can be grown when the land is first cultivated except maize, not to provide in

the Tariff that the local production shall have at least protection against articles that are imported. If these concessions were made, a firm at Footscray, which is now using 1,500 bushels of maize daily, could use 1,200,000 bushels per annum, which is equal to 4,000 bushels daily. That would be of immense assistance, and the means of settling large numbers of people on the land. We hear from the Prime Minister that no assistance can possibly be given to the shipping of maize. That is practically saying that it will be useless to put our soldiers on some of the richest land in Australia without alteration of the Tariff. It offers no encouragement to men to extend their cultivation in a new country, and it will operate as an inducement to them to go into the towns and find occupations there. If for no other reason, the Government should, with as little delay as possible, make such alterations in the Tariff as will enable them to settle returned soldiers and others on the land of which I have spoken, to make it more productive, so that more producers may be in a position to feed those who are living in the towns. I trust that the Minister for Trade and Customs will go into the matter fully, and that it will not be long before we can convey from this House some information that will encourage our young men to settle on the land, instead of harboring in the cities.

Mr. ANSTEY (Bourke) [4.55].—My object in rising is to place on record a few facts, and to express a few opinions on the situation confronting us to-day. We have heard the Prime Minister talk about cutting out the cancer of German influence, and we have heard him say that a number of us are identified with German interests. To-day I asked the Prime Minister a question, and, in reply, I was told that the prohibitions against German firms were no longer necessary because they had been imposed by the United States of America and Japan. A prohibition appeared in the *Government Gazette* on the 7th June last in connexion with certain German firms operating in Japan, and it was removed because, as the Prime Minister has explained, a prohibition having been imposed by the Japanese Government, there is now no need for that prohibition on our part. In spite of what the Prime Minister has told us, I say

that there is no prohibition imposed by Japan on any German firm operating in its territory. As a matter of fact, from the beginning of the war the Japanese Government have not put up any prohibition against any German firm operating in its territory. As long as any German firm operating in Japan conducts itself in accordance with the laws of Japan, it can carry on operations there.

The removal of the prohibition here is entirely due to the fact that Japan wishes to do a larger trade with us, and finds that her means of carrying on trade with us is curtailed by reason of such a large portion of her business being in the hands of German firms operating in her country who were affected by our prohibition. The Prime Minister talks about eradicating German influence, and he prohibits any trading with the Aachen and Munich Fire Insurance Company, of Queen-street, yet one can carry on business with the same firm operating in Japan. We prohibit the importation of products in the names of the Deutsche Apotheke, Weinberger and Company, Winckler and Company, Fiecke and Company, Meier and Company, Berg, Werner, and Company, and so forth, yet we can carry on correspondence and business with those firms in Japan. The same thing applies in regard to the United States of America. We have had a prohibition against German firms who carry on business in America. Suddenly, on the 12th July, that prohibition was removed. The prohibition applied, among others, to Bauer, Phillip, and Company, and Beer, Sondheimer, and Company. The latter was the firm connected with the metal gang operating in Australia. The other day there appeared in *Dunn's Gazette* a notice of the reconstitution of the Electrolytic Smelters. The names of Seigfried Hirsch and Frank Snow appear as foundation directors. And while we were talking of cutting out the cancer of German trade the Aaron Hirsch people had a lot of concentrates at Port Pirie, and the Union Bank made advances to Frank Snow, who was the agent handling these concentrates. Furthermore, the Prime Minister, while talking about cutting out the cancer of German trade, immediately opened the door so that the Union Bank could open up negotiations with the Aaron Hirsch Company through America. To-day I asked why these prohibitions had been removed, and I was told that it was no

longer necessary to impose them because Japan had imposed them. I maintain that Japan has not imposed them.

In regard to the shares held by enemy subjects, I also took the liberty of asking the Prime Minister a question. While the right honorable gentleman was telling the people of England that the whole of the German cancer had been eradicated, and on his return to this country made the same affirmation, at the same time charging many of us with having been direct agents of the Germans, he placed the whole of the metal business, and a large amount of other industrial business, directly in the hands of W. L. Baillieu and others who were the very instruments for the introduction of the Germanic interests in Australia, and right up to the outbreak of war were direct "pals" of that influence, and ever since have been the local controllers of Germanic interests.

MR. RODGERS.—That is a serious reflection upon a gentleman who is in public life in this country.

MR. ANSTEY.—They are all mixed up in it. I am going to show how they are mixed up in it.

MR. RODGERS.—The honorable member will have to prove such a statement or withdraw it.

MR. ANSTEY.—Prove it or be shot, I suppose. The statement has been made that all the shares held by these enemy subjects have been forfeited. What has been done with those shares?

MR. TUDOR.—Nothing.

MR. ANSTEY.—The Deutsche Bank hold 15,400 shares in the Broken Hill Proprietary. The Dresdner Bank hold 5,000 shares in the same company. The Disconto Gesellschaft hold 300 shares in it. The Minister for Trade and Customs, in his capacity as Public Trustee, holds these shares.

MR. RODGERS.—Can you say who was agent for the Beer, Sondheimer people before the outbreak of the war?

MR. ANSTEY.—Frank Snow. The claim was made that 100,000 German shares would be forfeited, and that German influence was to be eradicated. These shares were to be placed in the hands of a Public Trustee, and held by him for sale. The Minister for Trade and Customs has held them for fourteen months. Why are they not sold? A few months ago, when people began to say, "Why not act as well as talk?" articles began to appear in the various metal journals.

The *Argus* published an article in which it was stated that it would be improper to sell these shares. Why were they not sold? Because Rodgers and Company, of the Sydney section of the metal gang, did not desire them to be sold. We do not know why, but one fact is evident, namely, that Rodgers and W. L. Baillieu and Company did not want the shares put on the market at that juncture.

MR. RODGERS.—Do you make the statement that they did not want the increment in value from pre-war times to the present day?

MR. ANSTEY.—I am not talking about pre-war times, but about the operations during the last few months. This action was taken since the outbreak of war. The Metal Exchange was formed only recently. Several months ago the Prime Minister said that he was going to have these shares sold immediately, and the statement he made to-day, that they would be sold forthwith, is merely a repetition of what we heard before. The moment he made that statement the metal crowd began to object. One would naturally ask, Would they not be pleased to get the possible increment of value between now and the end of the war? I do not know why they objected, but I do know what appeared in the press and what is said in financial circles.

MR. POYNTON.—If you forced the German shares on the market, would it not affect the value of other people's shares?

MR. ANSTEY.—Ah! Now we have the reason. That is what I have been coming to.

MR. POYNTON.—Is there a wish to destroy other people's interests? One would think so by the cheers from honorable members opposite.

MR. HIGGS.—The point is that the Government were allowing that consideration to intervene.

MR. ANSTEY.—I have no wish for a course to be pursued which would destroy the value of all other shares upon the market.

MR. POYNTON.—Then why do honorable members opposite cheer?

MR. ANSTEY.—I suppose they cheered because they appreciated the fact which the honorable member disclosed to them. The reason which the honorable member quoted is one of those to which I was leading, but it is not the only reason. It is the especial argument of Rodgers and Baillieu, and the other members of the

metal gang, that the flooding of the market with a large number of these German shares at this particular juncture would destroy the value of their shares. That would be a perfectly legitimate consideration for the Government to take into account, but if that is the reason for not selling the shares, why do not the Government say so? Do not make bogus pretences. Do not tell the people that you have eradicated the last element of German influence when you have not. Say straightforwardly that the reason you are not putting the shares on the market is that the flooding of the market with the property of Germans would depreciate the value of the shares of other large holders in the metal companies of the Commonwealth. Those shares could not be put on the market without destroying the value of the shares of the metal gang, and they had to choose between the interests of their pockets and the interests of their country—whether they should lose money or should destroy the Germanic influence, and take away German interests in Australian industry. Faced with that alternative, they said, "Let the Germans retain their interests rather than that we should lose the value of our shares."

After sixteen months the Germanic interest in these companies is still retained, and we have had the argument advanced that the shares are not put on the market because that course would affect the interests of the present British holders. On the other hand, we are now again told that they are to be sold forthwith.

MR. JENSEN.—You did not get the former statement from the Government.

MR. TUDOR.—But the interjection came from an ex-Treasurer.

MR. ANSTEY.—The other day I attempted to publish to the people some of these facts that appeared in the *Gazette*, but I was debarred from doing so, and the people connected with the journal in which the information was to appear were taken before the Court and heavily fined. The matter had actually appeared in the *Government Gazette*, but the reason we were fined was that, without submitting the matter to the censor, we had published the construction which we placed upon the facts.

To-day the Labour newspapers of the country are almost entirely the only papers which are subjected to the censorship. Those journals are not

allowed to publish what is allowed to be published in the daily press. If a Labour journal seeks to republish a paragraph published in the *Age* or the *Argus*, it must submit the matter to the censor. When the matter is submitted, the paragraph is eliminated; and if it is not submitted, the Labour paper is prosecuted. In regard to the matter which we wished to republish from the *Gazette*, after we had been prosecuted, we submitted the matter to the censor. He cut out half of it, and said we could publish the balance. We could publish the essential facts, but we might not comment upon them. At the end of this *Gazette* notice, which was signed by the Minister for Trade and Customs "by His Excellency's Command," there appeared the words "God Save the King." So I wrote at the end of my article, "God save the King." What could be more loyal? But the official censored "God save the King." I objected to my loyalty being brought into question in that manner, and I asked, "Why censor 'God save the King'?" The answer I received was, "I do not think you mean it." So it is right through the piece. Publish "Three cheers for France," well and good; publish "Three cheers for Italy," all right; but attempt to publish "Three cheers for Japan," and out it goes, because "We do not think you mean it." They censor not only what you write, but what they think you mean. Here is a paragraph that appeared in the *Broadmeadows Camp Sentry*, a little paper published by the Sportsmen's Thousand—

The top-notch officers in the Federal Service have had their screw increased. The Government is calling for economy by the poorer classes and fattening up the upper ten. These are the things that help recruiting—we don't think.

We desired to republish that paragraph, but were not permitted to do so. If we dared to republish it, we would be prosecuted. I understand that the Government are going to prevent the publication of this soldiers' paper, or to censor it in order to prevent the soldiers saying too much. Here is another instance: Herbert Brookes said "he preferred German militarism to Australian unionism." He was allowed to make that statement, and it was published throughout Australia.

Mr. PIGOTT.—There is very little difference between the two as things are going to-day.

Mr. ANSTEY.—I think the honorable member is perfectly right in his interjection. Perhaps I shall save a lot of time and argument if I tell the honorable member that I think Australian unionism should be stamped out in the same way as German militarism. If it cannot be done by the ordinary processes of the law, we are rapidly marching to the stage when it will probably be done at the point of the bayonet. If the remark made by Brookes was not calculated to create discord, what was? I proposed to write, in reply, "Brookes and his crowd want conscription, not to win the war, but to smash unionism." If Brookes could make his statement, had I not a perfect right to make the other remark in reply? I did not object to the liberty given him. His remark did not help the enemy; it did not stop recruiting; but when I retorted that Brookes was not trying to win the war, but to smash unionism, the censor intervened. Where is the justice in that? These censors draw about £30,000 a year in salaries. The salaries of the censors in this State would amount to about £8,000, but the majority of papers in Melbourne are not censored at all. There are newspaper offices in this city which the censor never enters, and whose publications he never looks at; but any little Labour journal suspected of radical tendencies—whether it be the *Bulletin*, the *Labour Call*, or any other—may not print a line that "Brown is going to sell sausages to-morrow" unless it submits the matter to the censor, and then he would probably delete the paragraph on the ground that it might refer to German sausages.

I have put before the House a few facts that the censor will not allow to appear in the press of this country. They will now appear in *Hansard*. I am sorry to have occupied the attention of honorable members at such length, thus preventing the Government from winning the war as speedily as they would like. I am anxious, however, to learn what the Government intend to do in regard to the eradication of this German influence in Australian industries. To-morrow the shares will be sold. I have a few pounds, and I want to buy some.

In a letter addressed to me by the censor, the statement appears, "You will not be prevented from saying, 'Hughes is winning the war.'" Why should I not

be allowed to do that? If I had proposed to state that he was not winning the war, the position would have been different. I might then have been declared to be guilty of treason, or something equally terrible. But can any one say that there was anything wrong in my proposal to show "How Hughes is winning the war"?

Mr. BAMFORD.—But what was the context?

Mr. ANSTEY.—The censor went on to say that I would not be prevented from using such words "if the context of such statement is unobjectionable." He feared that my object was to show that the Prime Minister was not helping to win the war. Are statements made by me to be censored merely because they are "objectionable"? There is only one sound principle to be observed in any interference with the liberty of the press. The right to publish any statement should be determined by the question of whether or not that statement is injurious to the country, or is calculated to help the enemy, or to stop recruiting. In this article, I had not a word to say which would come under any of those headings. I merely proposed to show how the Prime Minister was doing his utmost to win the war. The censor, in this letter, went on to say, however, that the context was "objectionable," and that the same remark applied to another article entitled "God save the King." I was at perfect liberty, he said, to print those words as often as I desired, provided that they conveyed no objectionable meaning. In other words, he said, "You are at liberty to print the words as often as you like, if you mean what you say, but I am not sure that you do." The deletion of the words "Three cheers for Japan!" was also held to be correct, because, read in conjunction with the rest of the article, the implication, "whether sarcastic or not," was not permissible. In other words, I must not publish anything that is sarcastic. The censor said, further, that I would not be allowed to state that the daily press of 15th June had announced that hundreds of pianos were about to arrive from Japan. An announcement had appeared in the daily press to that effect, and I desired to reprint it. I wished to give the public the benefit of the knowledge that they could get good, cheap Japanese pianos. Why

should that knowledge be denied them? I wanted to make known the fact, but the censor said, in effect, "We will not allow you to publish it, because there is an objectionable context to the statement." My remarks, apparently, were considered to be satirical, and, therefore, could not be published. This, then, is the state of human liberty in Australia.

What happened again yesterday? Throughout the session I had kept my mouth closed in this House, my desire being not to delay the Government in their efforts to win the war. Yesterday afternoon, however, I addressed a question to Mr. Speaker in regard to the presence of 500 police, more or less, in the basement of this building. That question was published in the *Herald* before the censor could overtake and suppress it. But the morning papers were not permitted to publish it. The public are not to know that there were 500 police, more or less, in the basement.

Mr. POYNTON.—It is not true that there were 500 police in the basement.

Mr. ANSTEY.—I was careful to use the words "more or less." As a matter of fact, the basement was crowded with police. I went down to have a look at them. I also wished to give the people the information that a fire brigade was close at hand with about a thousand yards of hose ready to squirt water on the people outside this building. I was not allowed however, to make known that fact to the general public. Why was my question suppressed? The answer is that the Government did not want the country to know what was being done in that direction. Such absurdities of suppression do no good to the Government or any one else.

There are two fundamental facts with which I have dealt. The first has reference to the outrageous censorship unfairly and improperly exercised, and the second relates to the assertions which have been made as to the extermination of German influence in Australia. That assertion is a fraud on the public. German ownership in the industries of Australia is as great as it was at the beginning of the war. I do not believe that the Prime Minister—I shall say nothing about his colleagues—has any real intention of eradicating German holdings in the industries of Australia. When the war is over those interests are

going back to Germanic companies, and the talk that we have heard as to the eradication of German influence is the biggest flim that was ever perpetrated upon a great Democracy.

Mr. RODGERS (Wannon) [5.27].—I regret that the Prime Minister was not present while the honorable member for Capricornia (Mr. Higgs) and the honorable member for Bourke (Mr. Anstey) were addressing the House. It is just as well that his absence should be known to the public, since it will explain why many statements made by those honorable members, and which will go into wholesale consumption, were allowed to pass unchallenged.

Dealing first of all with the statements made by the honorable member for Capricornia (Mr. Higgs), I may say at once that I do not approve of what I might describe as the almost vindictive spirit in which he approached the question of the German metal interests, and the action taken by the Prime Minister in regard to them. At the same time, I feel that he has raised a very grave issue, the importance of which has been emphasized by the honorable member for Bourke (Mr. Anstey). As one who took a very keen interest in the efforts made to eradicate the German interests in the Australian metal industry, I feel that the country is entitled to know whether or not any direct German interests will benefit in the use that has been made of our base metals since the outbreak of the war. The whole matter ought to be cleared up.

Mr. HIGGS.—The honorable member will admit that the companies to which reference has been made are making huge profits, and that the shareholders must participate in those profits.

Mr. RODGERS.—As I pointed out while the honorable member for Bourke (Mr. Anstey) was speaking, the market value of these base metals to-day is very different from what it was when steps were taken to eradicate the German interests in these companies. Immediately after the outbreak of war there was an almost complete dislocation of the trade, but soon after it was put on a different footing. And it is the position at that stage which ought to be definitely cleared up. If the statements which the honorable member for Capricornia and the honorable member for Bourke have made are true in substance, then we have not

tackled this question as we should have done. The honorable member for Bourke mentioned a man in the public life of Australia who, he said, had, before the war, some association with German interests. The nature of that association or connexion the honorable member did not tell us, but he went on to say that to-day this public man had resumed his former relationship with the German companies. That is a very grave charge, and it cannot be allowed to rest where it is. If, in Australia, any man during the course of this the most bloody war in the history of mankind, has allowed himself to be associated with enemy interests, then the matter cannot be allowed to rest where it is. Those responsible for the statement, as well as the gentleman named, and the Prime Minister, who has handled this question from the first, cannot allow it to stop where it is.

Coming to the question of the ownership and value of these shares, there must be something wrong with the trusteeship which has been set up in respect of those shares if residents of Germany are still allowed to participate in the profits made by the companies concerned as the result of the base metal industries of Australia. The honorable member for Capricornia (Mr. Higgs) made a clear-cut distinction between international policy with regard to territory taken in war and the individual rights in property of the citizens of belligerent countries. Between the two he drew a clear line of demarcation, and I hold that in the trusteeship under discussion an equally clear line should be drawn. On the day on which these shares were taken over they should have been valued, and any subsequent increase in their value should go to the Empire, and not to Germany.

Mr. KELLY.—Why not go back still further, and fix the values as from the outbreak of war?

Mr. RODGERS.—We could not do that, since for a certain time after the outbreak of war enemy subjects were allowed to hold shares in these companies.

Mr. MATHEWS.—We should take the date on which they had the least value.

Mr. RODGERS.—No; we must deal honestly with them. All interests in these shares passed from these people as from a particular date.

Mr. ANSTEE.—Is the honorable member aware that the very substance of the litigation between certain Germans, the Union Company, and Frank Snow was the question of valuation?

Mr. RODGERS.—I presume that that would be the kernel of the whole matter. These enemy subjects should be entitled to the market value of the shares on the day on which they were dispossessed of them, and from that date every increment resulting from the commercial relations between this country and the Imperial Government, who have used these base metals, should be for the benefit of the Empire, and not for that of any German subject resident in Germany.

This matter must be cleared up. I feel certain that the Prime Minister will have a full and, I hope, a satisfactory statement to make. Having regard to the vigorous action taken by him—

Mr. HIGGS.—His vigorous talk of action.

Mr. RODGERS.—I do not want to adopt the trend of thought in which the honorable member for Capricornia (Mr. Higgs) indulged when dealing with this matter. A good case is often deprived of all its merit when approached in the wrong spirit. I shall say no more concerning this matter. It is a big and a dangerous question to discuss as fearlessly as the honorable member for Bourke (Mr. Anstee) has done, unless one is sure of his facts. It is a serious thing to make reckless charges against a public man as to his having resumed business relations with persons resident in a declared enemy country.

Mr. ANSTEE.—My Rabaul charges were said to be reckless, but they proved to be correct.

Mr. RODGERS.—I hope, though not alone for his own sake, that the honorable member is absolutely wrong in his charges.

I now come to a subject that was raised in the House yesterday. I refer to the unique opportunity that is afforded to Australia at the present time to obtain some of the blood stock of Britain, which is the finest in the world. This is one of the most valuable assets of the Old Country, and it has taken not generations, but centuries, to create. Unfortunately, owing to the war, the studmasters there find themselves placed under very restricted conditions, and they are compelled

to disperse some of the studs in their possession. Recently, at the instance of yourself, Mr. Deputy Speaker, the House considered very carefully the question of blood horse breeding as a sound basis of a defence system. Personally, I have taken much interest in horse breeding, and I think I can, with all modesty, say that if we wish to perpetuate a high type of animal, the foundation must be pure blood. Many of the great studmasters of the Old Country are men of landed estate; but, with a complete disregard of their life's work, and the work of their fathers before them, they are prepared, in a patriotic spirit, to disperse their studs in order that the land may be put to the production of corn and other foodstuffs for the people. Our climate is, perhaps, even better suited for breeding than that of Great Britain, and now, when our larders are full, we have, as I say, an excellent opportunity to lay the foundation of what ought, in the future, to be the greatest studs in the world. The French Government, I may point out, have paid as much as £22,000 for one good sire in England; and though we do not wish to take advantage of the studmasters at Home in their present circumstances, we should awake to the opportunity that is now presented, when these great studs are to be scattered to the four quarters of the earth.

I should not appeal so strongly were it not a fact that private individuals are, in a great measure, prevented, almost debarred, by the restrictions on shipping under the control of the British and Australian Governments, from themselves embarking on the project. The brains, business capacity, and foresight of the studmasters of Australia account for the high standard of our own flocks and herds; and I am sure there is sufficient enterprise left to secure further improvements. I suggest that the Government get quickly into communication with the British Government, in order that we may secure a supply of brood mares and sires with which to found what, as I have said, should be the most famous studs the world has even seen.

Mr. KELLY (Wentworth) [5.39].—The question of German financial interests in Australian mineral ventures is one the discussion of which I do not think any honorable member regrets. When it

was first raised, the proposal was to force a sale of German share holdings throughout Australia. I pointed out as forcibly as I was able to the Minister who was then acting for the Prime Minister that the action proposed could not help the Australian mineral industry, and must inevitably help the German shareholders. To force a sale at a time when the disturbance of the money market would detrimentally affect the Australian Treasury—to what extent I am not in a position to state—and would give these German shareholders the capitalized value of the war values of the minerals produced, would manifestly be bad policy. I suggested that the proper course to adopt was for the Government to take some steps which would insure these German shareholders being absolutely debarred from exercising any influence in the control or governance of the companies in which they were shareholders. I have since suggested to the Government that they ought either to arrange to credit the public trustee with the values of these German holdings at the date of the declaration of war, or hold them until after the war, and then sell the shares and grant the proceeds to the German holders.

Mr. RODGERS.—What about the increment at the close of the war?

Mr. KELLY.—The increment after the war will in many cases have more than disappeared, though not where there are long-distance British contracts. Personally I should prefer to see the Germans given the value at the time when the action of their Government placed them outside the pale of our laws.

Mr. TUDOR.—If your suggestion were adopted, what about the accruing dividends in the meantime?

Mr. KELLY.—I do not know that we are compelled to make provision for these increases in dividends to go to German shareholders. Germany broke the world's peace, and I think German shareholders must take their share of the responsibility of the German people. So far as the capital value of the shares is concerned, undoubtedly they are entitled only to what the shares were worth at the time that we extended Australian hospitality to them and their money. As to subsequent increases in dividends, what right have these German shareholders to them, considering that their own Government has brought about the intense suf-

fering to the British and other peoples in the world, which the metals produced help to avenge.

I have risen this afternoon not so much to deal with the question of German shareholders as to draw the attention of honorable members to what I consider to be a false step either already taken—I am informed it has been gazetted, though I cannot find the notice—or proposed to be taken in connexion with another aspect of German ownership. I refer to "good-will" in German trade. It is now a considerable time since I urged upon the Government of the day, led by Mr. Fisher, and subsequently on the first Hughes Administration, the desirableness of killing German good-will here by abolishing the use of German trade names and descriptions. The House was given to understand that that course was to be followed, and, I think, with two exceptions it was followed. In one of these cases the persons who got the licence to produce under a German trade name have ceased to use it; and now, to my intense astonishment and regret, I find it is actually proposed to abolish the German copyright in those trade names and descriptions, and allow any manufacturer in Australia, who desires to make immediate profit, to popularise them by using them indiscriminately. I cannot imagine any way better calculated to help German trade good-will in this country.

The more people we have turning out goods under German names and descriptions, the more surely will Germany profit in Australia after the war is over. In the drug trade, for instance, the trade names are merely coined names for mercantile dealing in certain well-known compounds. The ingredients of the drugs are thoroughly well known, and there is no particular fetish in the trade names. But these names have received a value because of the great commercial efficiency of the German agents in this country and throughout the world. The public have been led to believe there is some particular magic in the drug covered by the name. There is no magic, but the public believe there is, just as an African fetish worshipper believes there is some magic in the fetish behind the priest.

We shall have a whole host of persons turning out, for instance, aspirin, and all competing in articles under that name.

When the war is over, and the Germans come here, they will proceed to sell the drug under the name which they have popularised. Their agents will say, "Now we offer you the real original article"; and there is no doubt that the Australian public will flock to buy what is offered. As a very reasonable course, which the Government ought to have followed on its own initiative nearly two years ago, I have suggested that we get into touch with the British Government, and all the allied Governments, and arrive at a common list of synonyms for all these drugs.

Dr. MALONEY. — Sellers ought to be compelled to put the real name of the drug on the article.

Mr. KELLY. — Occasionally that is too long, as, for instance, in the case of aspirin, the formula of which is acetylsalicylic acid. As a matter of fact, there is no particular reason why we should not call a drug what we choose; and I would point out that one synonym for this drug, suggested in Sydney, was eutosal. If we could arrange with all the allied peoples that particular drugs shall be sold in allied countries only under synonyms fixed upon, we should at one stroke of the pen, while the war is still on, wipe out existing German good-will in the trade for ever.

Mr. ANSTEE.—How would that affect us after the war when, as you say, the Germans would come here with the "genuine" article?

Mr. KELLY.—The Germans could not play that old trick, because it would be against the law to sell under the old name. What I desire is to kill German good-will, and I suggest legalizing short synonyms under which alone, by law, the ingredients in the compounds shall be sold.

Mr. HEITMANN.—That is already in force in Western Australia.

Mr. KELLY. — But there is no law which can prevent goods being sold under any name, so long as the ingredients are disclosed.

Mr. HEITMANN.—So long as the ingredients are known to the Department.

Mr. KELLY.—The average member of the public would be scarcely sufficiently informed to know the names of the ingredients, and he would choose the compound with the name of which he was familiar.

Mr. HEITMANN.—At the Panama Exhibition every patent medicine and drug had to have the full names of the ingredients displayed on the bottle or packet.

Mr. KELLY.—That is quite right.

Mr. HEITMANN.—And that plan has been adopted by a Select Committee of the House of Commons.

Mr. KELLY.—I think that that should have been done by democracies at the beginning, and not left until this period. In nothing has the public been so exploited to its detriment as in the selling of quack medicines, the misuse of which, in many cases, does more harm than the drugs properly applied could do good. But I am not dealing with that aspect of the matter now; my aim is the killing in this country of German good-will in drugs. The only argument with which I have been met is that the terms of peace will decide these things. I wish to expose the futility of that argument, and to warn honorable members against being too optimistic about the conditions of peace. It is ludicrous to say, when engaged in a life and death struggle, "Put this matter off until we have the other side down." We have a chance now, by mere secretarial action, to do lasting good to our own people, and lasting damage to our enemies. Why, then, wait for the conclusion of peace? I do not want my words to be exaggerated or misunderstood, but I venture to say that any concession obtained by agreement from Germany for the destruction of her post-war trade will be the most difficult that we can extort from her. To talk of such things at a peace conference will be the surest way of consolidating German opinion against peace. I believe that, as the pressure of war becomes more and more intolerable in Germany, we shall gain unofficial allies there in the great producing and manufacturing interests which are threatened with utter ruin. Those connected with such industries will shortly begin—if they have not already started—to influence their Government in favour of peace. But we shall drive them into the other camp, and make them, for their own preservation, implore their Government to wage the war to the bitter end, if we try to get what we want in this matter by arrangement with Germany. The best way to deal with the thing is here and now, and in concert with our Allies, as an ordinary act of domestic administration. We have the power.

Why not use it? If we use it, German goodwill in the drug trade will disappear for all time, and cannot be built up anew. German merchants will not be able to say after the war, "This is the original secret preparation, the only valid drug." They will have to sell their drugs under our trade names, stating as well, if you like, the formula of every preparation, and they will have to compete with Austrian manufacturers on fair terms. There will be no resurrected fetish, to be used to their advantage.

Mr. HEITMANN.—The Australian manufacturer is as big an offender as the German manufacturer.

Mr. KELLY.—He is not so efficient an offender.

Mr. HEITMANN.—It is not for lack of desire.

Mr. KELLY.—My present object is the public good in this matter. Personally, I would put the Australian manufacturers on the same plane as all others by requiring them to state their formulæ. But I want the Government, now, to say under what names these articles shall be sold. If that is done throughout the allied countries we shall kill for all time the preying on the ignorance and credulity of the masses, which has brought great gain to Germany. I urge the Government to take immediate action. The only answer that I have received to my most recent representations on the subject is that the matter will receive consideration. The Attorney-General's Department is so congested that very little gets beyond that stage there.

Mr. FENTON.—There is too much work for one man.

Mr. KELLY.—That is so. It is not right to put on the shoulders of Sir Robert Garran the preliminary investigation of all these matters. Nor should the overloaded Prime Minister have to grapple with the supreme responsibility in all these matters. What is needed is more action and less protestation. If action be taken on the lines that I suggest, our Allies will see its value, and we shall, by putting it into effect, do more harm to German trade than could be done by making speeches from now until the proclamation of peace.

Dr. MALONEY (Melbourne) [5.56].—It was my misfortune not to be present during the earlier part of the speech of the honorable member who has just sat down (Mr. Kelly), but if it was as good

as that portion which I heard I compliment the honorable member upon having made the best speech that I have heard him deliver. I know something of the work that he has done in exposing the actions of certain German concerns here in regard to which the Government have not been so firm as he and I could have wished. From my student days at St. Mary's, I have advocated the nationalization of medicine, and I should like the Government to insist that no medicine shall be sold in Australia unless its complete formula is stated on the bottle containing it.

Mr. HEITMANN.—I introduced a provision to that effect in the Western Australian Parliament, and it was twice defeated in the Upper House.

Dr. MALONEY.—That increases my respect for the honorable member. Perhaps in the future we may together advance this matter. I have, ever since my student days, resented the giving of fictitious names to medicines. This disguises their value, because it makes it impossible to ascertain the bed-rock prices of the drugs of which they are composed. In my student days I advocated the nationalization of the public health, and I do it still in my advanced years. A man's health is more to him than his houses or lands, and should not be treated as casually as it is often treated now. A man who is earning from £3 to £4 per week will frequently continue at work although unwell, because, unless a member of a friendly society, he cannot afford medical advice and the loss of time which treatment involves. Those who have experience of animals know that horses, dogs, cattle, and sheep lie down when they are ill. They do not, like human beings, force themselves to work. No drug should be permitted to be sold under a name which will impart to it mysterious properties. Let the formula be on the bottle, and let the price of the drugs that are used be known. Many years ago the firm of Rothschild increased the price of mercury and iodide of potash to such an extent that the Lock Hospital at which I was then an officer was unable to buy sufficient iodide of potash, then the accepted and best cure for that terrible disease syphilis, but, because of this accursed war, and I believe, too, of men's greed for gold, the price of these drugs is even higher to-day than it was at the time of which I speak. Iodide of potash

was 20s. per lb. then, but there are drugs whose price in Australia has increased 1,700 per cent. during the present war. This is an infamy.

Mr. HEITMANN.—Drugs are being used by the people that are positively dangerous.

Dr. MALONEY.—Doctors are supposed to know more about the action of drugs than do ordinary people, and it is rarely that they take drugs themselves. But often, when a doctor tells a patient not to take medicine, but merely to follow his advice regarding rules of diet and conduct, that patient loses faith in him, and calls in some one else.

Mr. HEITMANN.—Or runs to a patent medicine.

Dr. MALONEY.—Yes. For the last quarter of a century I have been advocating the affixing to each bottle of medicine of the formula of the preparation. I believe that I was the first student in my hospital to advocate the nationalization of medicine, but now some of the greatest minds that have illumined the practice of surgery and medicine hold that it should be under control. The Government should adopt a strong hand in regard to the practice of drug taking. I would not allow any drug to be sold except under its proper formula. Every honorable member must have had experience of the sad effects of the drug habit. That habit is increased, I think, by the mystery attaching to certain names. I hope that in the future no firm will be able to sell drugs under the name of a patent medicine, but that the formula must be stated in every case. This will do much to prevent the accursed drug habit by tearing away the veil of mystery that now surrounds many preparations. I hope that when the turmoil of this war has ceased we shall nationalize medicine. Health is too sacred a thing to be at the mercy of any man. Thank God, there are very few doctors who are not beyond reproach! There is no profession in the world with so large a percentage of men in it interested in the welfare of mankind. That profession certainly does give to 1, 2, or 3 per cent. of its practitioners opportunities to benefit themselves at the expense of their fellows, and to utilize the exigencies of the war to extort high prices. I hope that, if it should be necessary, all the profits that the exigencies of the war have permitted the holders of drugs to obtain, will be taken

from them. If I could sway the Government, I would urge them to take over every increase in the price of drugs that has not been brought about actually by the war. I hope I can impress on the minds of honorable members that health is a sacred quality, and that no drug should be sold under a name unless the formula is on the bottle. Thus, the friends of those who are the victims of the drug habit can see when those unfortunates are taking too large quantities of drugs, and can advise them to give up the habit. I would like to see the Government control the whole of the drug industry. For a quarter of a century I have been advocating the nationalization of medicine. Health is too sacred a matter to be exploited in order to sell secret remedies, or for purposes which the Germans have shown themselves *facile princeps* in employing.

Mr. GLYNN.—One of the difficulties is that we can only deal with the imports.

Dr. MALONEY.—Surely some regulation could be framed under the War Precautions Act to deal with them. The House would support the Government in that action. We should be able to control everything from the time that it comes through the Customs House until it is sold. We should not permit it to be adulterated or interfered with in any way before it reaches the buyer in a State. If we have not the necessary legislation, let us pass it, so that this Parliament, which is the dominant Parliament in the Commonwealth, may have control over these matters. It is ridiculous that any article should be permitted to come into the community and be injuriously adulterated, and that the Commonwealth should have no control over the article once it has passed through the Customs.

Mr. GLYNN.—We can control the imports, and there are many regulations on the matter under the Trades Description Act.

Dr. MALONEY.—Many things that are sold are very different from what they were when they were imported. The more stringent the law can be made in that regard, the more pleased will any honest man be. Money, buildings, and wealth are nothing in comparison with that God-given power which we know as health; and if the Government would help in the

matter of the nationalization of medicine, they would have no keener follower than myself, even though I should be sitting in Opposition. I trust that the words of the honorable member for Wentworth (Mr. Kelly) will bear fruit. I hope that the Government will give consideration to the matter; and I trust that we will follow the splendid lead that Western Australia has set. Every Australian should have a fair chance of living a healthy and long life.

Mr. PIGOTT (Calare) [6.11].—Several young fellows living in the Calare electorate have passed the necessary examinations to qualify them for commissions in the Australian Imperial Force, but, as they were not twenty-three years of age at the time of qualifying for the position of second lieutenant, they were prevented from holding commissions. Not wishing to enlist as privates, they had to retire from the Australian Imperial Force, but many of them paid their own fares to the Old Country, and, on arriving there, received commissions in the Imperial Army. In fact, I understand, 1,000 young Australians have done so; but they prefer to work with Australians, and to lead Australians at the Front. The Imperial Government permits officers twenty-one years of age to hold rank at the Front, but the minimum age is twenty-three years in connexion with the Australian Imperial Force. I do not know why this discrimination exists. Two or three of these young fellows cabled to me recently asking me to do my level best to get the Federal Government to remove the prohibition against their employment as officers of the Australian Imperial Force, on account of their not being twenty-three years of age. They are anxious to join the Australian Forces, and to lead Australians at the Front. If the Imperial Government will allow lieutenants twenty-one years of age to lead men, why should we not fall into line? There should be some co-ordination in this matter.

This afternoon I submitted a question in regard to the attacks which were made yesterday afternoon on the room in which the One-Woman-One-Recruit League meets in Melbourne. There are about 260 ladies in that league. Each member endeavours to secure one recruit for the Australian Imperial Force, and having

secured him, looks after his welfare and the welfare of his parents, wife, or children, and follows him after he leaves Australia, supplying him with papers and parcels, and so forth. I was astonished on reading the paper this morning to see that any set of people in Australia would so far forget themselves as to attack this very patriotic band of women. Yet the so-called pacifists, who assembled outside Parliament House yesterday, made a wicked and malicious attack on the members of this league, who had assembled in their room for the best of worthy purposes. Mrs. Brock, a lady who lost her husband at Gallipoli last year, and who has five children, was very roughly handled by a crowd who broke in on them. The Government should afford these women sufficient protection. In my opinion those who broke into the league's room should not have been permitted to leave. They should have been arrested and called to account for their action. The Government ought to take the matter into serious consideration, because the One-Woman-One-Recruit League is an association which has the best of objects, and is one that should be encouraged in every shape or form.

Mr. MATHEWS (Port Melbourne) [6.18].—This afternoon we have heard a great deal about German interests and German names. I agree that the German who gives trouble should not receive the benefit of having his shares held for him and sold at a high figure, but it is hard to fix the right price for a German's shares. If we fix a pre-war-time the shares may be worth less now. If we fix on a certain price after the war the shares may be made worth more than they were before the war. The only thing is to deal with each case on its merits. I suggest that the best way in which to fix the German and injure him is to take the lowest price wherever it is. In common with many others, I considered that the Prime Minister, when he dealt with the metal question, had done a great stroke for the people of Australia. When the war broke out our metal industry looked to be in a very bad position, but the Prime Minister called a conference, and came to the relief of the industry, and everything was supposed to go on smoothly. The German interest was to be wiped out, and the Britishers were to receive the benefit

of the profits. It is very evident, however, that this did not take place. From what we learn from the honorable member for Bourke (Mr. Anstey) nothing has been settled; nothing of a tangible character has been done to see that the Prime Minister's intention was carried out. I am one of those who hope that something will be done in that direction, because, with our knowledge of German instinct for business, I feel certain that those shareholders will see that their interests are safeguarded. I remember speaking at a meeting one night in commendation of the action of the Prime Minister in arranging to oust the Germans from the metal industry, and to insure the predominance of British control. An individual whom I had never met before spoke after me and smote me hip and thigh, and asked me to point out the difference between exploitation by the German capitalists and exploitation by the British capitalists. He said he would just as soon be starved by a German as by a Britisher. He evidently knew a good deal about the metal trade, because he showed that by the arrangement made by the Prime Minister the opportunity would still remain for Germans to receive benefits from their interests in the metal trade, whilst the British or neutral shareholder would be able to make fortunes out of the people. We know that since the outbreak of war the prices of metals have risen enormously. The cost of production, we are told, fixes the prices of commodities, but that was not the governing factor in connexion with the increase in the price of metals, and my critic on that occasion was right when he charged me with having supported a Prime Minister who had not considered the interests of the people. At that time I was a supporter of the Prime Minister, and I understood that the arrangement he had made would insure that whilst the Germans got no benefits from the metal industry, neither would other capitalists be allowed to exploit the people. Instead of that being the effect of the Government policy, the metal companies have been allowed to make large fortunes.

Mr. BAMFORD.—The small fossicker on the tin-fields who brings his metal to the store in a small canvas bag is quite satisfied with the price he gets.

Mr. MATHEWS.—That man may be all right; but I am alluding to the employees on the large mines who, when they

approached the owners for better wages on account of the increased cost of living, were refused because the profits which the companies had made were needed to pay the war-time profits tax. I am sorry to say that if the Bill now before the House is passed in its present form they will not pay those profits to the Government. The Prime Minister has yet to answer the charge made to-day by the honorable member for Bourke (Mr. Anstey), and we desire an assurance that whilst the Government are preventing the Germans from getting benefits from our metal industries during the war, they will also see that the men to whom the law has given an opportunity of earning big profits shall not exploit the people. I agree with the man who said that it would be just as well to be starved by a German capitalist as by a British capitalist. I am willing to prevent the German capitalist from making money out of the horror that is taking place in Europe, for whilst many of my party do not agree that the Germans were responsible for the war, I say they were. At the same time, I say that British capitalists ought not to be allowed to make the enormous profits that are being made out of the metal industry owing to the arrangement which the Prime Minister made in the interests of the British people. No Government will be doing its duty which does not look very carefully into this matter, with a view, firstly, to preventing Germans getting the benefit of the Australian conditions which they are fighting to destroy, and, secondly, to insure that the British or neutral capitalists shall not amass fortunes by reason of the conditions brought about by the war.

Sitting suspended from 6.30 to 7.45 p.m.

Mr. MATHEWS.—It is very evident that German interests are reaping profits from the metal trade of Australia, and that no official system has yet been devised to prevent their doing so. The moneyed interests which control the metal shows of Australia are amassing large profits. They are securing large dividends, and are also placing large amounts to reserve funds, ostensibly to meet their war-time profits taxation. I am surprised that the Treasurer, knowing that all this money has been banked, ready to meet his demands, does not propose to take it.

Sir JOHN FORREST.—We shall get all we can.

Mr. MATHEWS.—I believe I can explain why no full and complete action has been taken to prevent German interests reaping these profits. We all know that the large moneyed interests of the world move within certain circles. If, for instance, it was proposed to float a railway company in the Old World, the prospectus would be placed on the market in which it is known that the railway moneyed circle operates. Again, if it were proposed to float a gold-mine, the promoters would go to the circle which deals in gold-mining ventures; or if a big electrical company were to be floated, the promoters would go to the market in which the big electrical investors operate. There is also a very large circle which deals only with metals. If the shares held by Germans in the Australian metal companies were sold with the object of ridding Australia of the German interest, the very circle which held those shares would repurchase them. We have in Victoria a body or syndicate or company of men headed by Mr. Baillieu, who is, admittedly, one of the best financiers in Australia, and whose advice was sought by the Government when we were considering the financial situation at the outbreak of the war. He is largely interested in the metal industry, and it is understood that he represents German money handled by the metal section. If these shares that were held by Germans were sold to-morrow, would we have any assurance that German money would not again be invested in them? Try as we will, we cannot hope to get rid of this German interest. I need not enter into a discussion of the way in which German interests are bound up and interwoven with the various metal companies; it is well known that it is impossible to separate them from the other moneyed interests of the world. That is one reason why this question has not been handled as it should have been. Why then should we not candidly make this admission? Why do we not say that all the talk as to the eradication of German interests in the metal industries of Australia was so much make-believe, with the object of raising false hopes in the minds of the people and to enable the moneyed interests involved in the trade to reap larger profits than before. I am very pleased that this question has been raised to-day. In view of what has been said, it is impossible that the Ministry should refrain

from making a plain statement on the subject.

I wish now to say a few words in regard to the great war. It is quite unnecessary that I should explain, at the outset, that my British sympathies are as strong as those of any man. We belong to a race that feels that it is never beaten, but it would be folly on our part not to recognise that there are other races who entertain the same feeling with regard to themselves. This horrible war is going on, and a man dare not raise his voice on the question of peace terms lest he be called a pro-German. That is the position in every British community. It is nonsense, however, for us to say that we are going to bring the German to his knees. Reading between the lines, I believe that he has had enough, and is willing to accept peace; but I do not believe that we can hope to enter Berlin within the next decade. In these circumstances, why should a large section of the people, and their representatives, insist on saying, "We are going to bring the German to his knees, and will not talk of peace until we do"? I think the British Government made a big mistake in refusing to allow representatives of Labour in Great Britain to meet Labour representatives of other countries at the Stockholm Conference. It is quite possible that no benefit may result from that Conference, but I think, nevertheless, that Labour in Great Britain should have been represented at it. The working section of the British Empire are just as strong in their love of country, and just as patriotic as are the workers of any other land, and their representatives at such a Conference would take care that their love of country was upheld.

Mr. PIGOTT.—Could that not be done by their representatives in Parliament?

Mr. MATHEWS.—Apparently the whole matter has got beyond Parliaments. Every one seems to be afraid even to suggest peace terms, lest such a suggestion should be interpreted as a sign of weakness.

Sir JOHN FORREST.—The honorable member does not seem to be afraid.

Mr. MATHEWS.—I admit that Ministers, who occupy a more responsible position than I do, could not be expected to say what I may say. I should like to

know whether the British Government and our Allies are determined that there shall be no peace until the Germans sue on their knees for it, or until the Allied Forces enter Berlin. If they are, then I am afraid that at least another 1,000,000 lives will be sacrificed, and much more misery and starvation will have to be endured.

Mr. RODGERS.—What effect does the honorable member think an opinion expressed by him or by myself in this House will have on those, 13,000 miles away, who are charged with the responsibility of determining when the war shall cease?

Mr. MATHEWS.—That is quite beside the question. If we were to refrain from speaking on any subject until we were sure our words would have some effect, then I am afraid we should have but few reforms. It is not for me to attempt to lay down peace terms; but those who have the destinies of the whole world in their hands should make some statement as to the terms on which they would consider peace proposals. That would not be unmanly on their part, nor would it lead the Germans to believe that we felt we were beaten, or were craving for peace. The first and paramount condition of peace should be that a repetition of the horrors of war shall be rendered impossible.

Mr. CORSER.—The best way to secure that is to beat the Germans.

Mr. MATHEWS.—Admittedly; but does the honorable member seriously believe, as some do, that we can hope to beat the Germans to their knees? Above all other things, after this war there should be no more large standing armies or fleets. Let us think for a moment of the indebtedness we in Australia shall have incurred in connexion with the present war. If, after the war is over, we are still to maintain a large standing army and a big fleet, with all their appurtenances, the taxation of the Commonwealth will be enormous. The obligations that we have already to meet are such as to strain the skill of the financiers of Australia for many years. If, when this war is over, we are to have a large army and a big fleet, with dockyards, naval bases, and so forth, the position will be preposterous. Britain and her Allies should tell Germany that this fight will go on until we

are assured that there will be no possibility of any more horrors such as the war in which we have been so long engaged. Then they should say to Germany, "You brought about this horror. You overran Belgium, Serbia, and a large part of France, carrying devastation wherever you went. You shall make reparation for every tree and house you wantonly destroyed." That should be the second condition of peace. As to the acquisition of territory, I am going to make a statement, which I do not expect will receive the commendation of the House. It is this: That the captured German colonies near Australia are not worth fighting about. They are not worth considering.

Mr. CORSER.—They will be of great importance in the future.

Mr. MATHEWS.—We already have Papua, and are not putting it to any use except as a buffer to Australia. It is of no use to the Commonwealth so far as its occupation by white men is concerned. And so I say that the question of the retention of captured German territories could be readily settled. The time may come when we shall be glad to have on the islands near our shores white instead of coloured men. The friends of to-day are the enemies of to-morrow, and *vice versa*.

I have been suggesting what I think might be put forward as our minimum peace terms. As to Poland and Alsace-Lorraine, the question of what shall be done with them is on all fours with that of the question of Home Rule for Ireland. It should be left to the people of those countries to deal with, and not to the consideration of men who have not for those particular countries the feelings that their own people have. I maintain that Britain and her Allies would not show any sign of weakness in demanding what I have suggested as minimum peace terms. I would not have peace for one jot less. As to conquered territory, the British, in times gone by, have been just as flagrant in their actions, and just as much to blame, as have other countries. It is high time that we considered the matter. Millions of men are being killed and maimed; and yet those of us who talk of peace are charged with being pro-Germans. We should suggest terms of peace, showing the irreducible minimum that we can accept, always providing for reparation for the injury done. I know I shall

be asked whether we are not to impose some punishment on Germany for the killing of Nurse Cavell, Captain Fryatt and others, and demand, as civilized communities, reparation for actions of that sort.

Sir WILLIAM IRVINE.—You may be quite at rest! I think that after your speech nobody is going to be bothered to ask anything!

Mr. MATHEWS.—I think that remark is quite unbecoming on the part of the honorable member, who, as a rule, is not funny or sarcastic. I suppose the interjection is intended to belittle me and my opinions.

Sir WILLIAM IRVINE.—The man who talks peace in this war is giving weapons to the enemy.

Mr. MATHEWS.—The honorable member will agree with me that we are fighting only for peace. We hear the bald statement that we must "bring Germany to her knees," and it is apparently forgotten that, in the process, millions more will be killed and maimed. If we can attain all that is necessary for humanity without this slaughter, why not do so? When a man takes the attitude that I do now, he is, as I say, regarded as pro-German, or his intelligence is doubted. Personally, I do not care if my intelligence is doubted, nor do I care if I am charged with being pro-German, for those who know me best will not believe it. In common with others, I have friends at the Front; and I know that day after day fresh armies are sent there, with the sole object of ultimate peace, and the punishment of those who caused the war. If we can attain that end now, why not? If we continue fighting on it will certainly leave us open to the charge, so frequently made, that this is only a trade and commercial war. I do not believe it is a trade war as far as Britain is concerned.

Mr. JOSEPH COOK.—Who is suggesting that it is?

Mr. MATHEWS.—We hear talk to that effect every day—about making provision for after the war, how we shall treat the Germans, and so forth. Much of that might be very well left unsaid, for the main thing is to finish the war. I can understand the feelings of honorable members towards myself, for I have exactly similar feelings towards those who talk of peace without reparation. It is a ques-

tion of degree; and, in my opinion, the view I take is the more sane one.

Mr. RODGERS.—What is your proposal?

Mr. MATHEWS.—The Germans ought, straight out, to be offered terms of peace, providing for assurances for the future, with an international undertaking that there shall be no more standing armies or wars, and, further, that full reparation shall be made for the devastation of Belgium, France, Servia and other countries.

Mr. CORSER.—What would such a guarantee be worth?

Mr. MATHEWS.—If an international arrangement of the kind were made, with all the countries in it, the self-interest of each nation would prevent any repetition of the actions of Germany. Does any one believe that if Germany could go back to July, 1914, she would again inflict these horrors on the world? People talk of "bringing Germany to her knees," but the Germans are like ourselves; if they are beaten, they decline to admit it. Now that the United States of America have entered the conflict the whole civilized world is involved, the small European neutrals being kept out only by fear. In my opinion, there will be no more "scraps of paper," because no country would dare to do in the future what Germany has done in this connexion. I will leave the matter at that.

Sir JOHN FORREST.—Hear, hear!

Mr. MATHEWS.—From the tone of that "hear, hear," I should say that the Treasurer has responsibility he has not yet recognised—responsibility of a moral character as well as responsibility to the moneyed side of life.

Sir JOHN FORREST.—You are doing yourself a lot of harm!

Mr. MATHEWS.—I will take all the responsibility; and I remind the right honorable gentleman that, in the past, he has expressed opinions, and performed actions, which, to all appearances, would do him a lot of harm, but he has never feared to face the music. I believe that the majority of the people of Germany are taught by their Governments and their newspapers that the Allies wish to enslave them after the war, and, with a view to an early peace, I wish them to know of the true facts of the position.

Mr. PALMER (Echuca) [8.8].—I desire to draw attention to a very specious

letter, apparently a circular letter, emanating from the British Imperial Oil Company. It contains the following:—

There are very many Australians employed in the preparation and handling of "Shell" benzine.

The output is ever increasing, and, of course, the number of our own people employed increases in proportion.

Mr. TUDOR.—Have other honorable members received similar letters? I have not.

Mr. PALMER.—I cannot speak as to honorable members generally, but the communication has all the appearances of a circular letter. This company, although called "British," has not a single British shareholder. It is registered in Great Britain, and there are half-a-dozen men there who own one share each, the object, of course, being to legalize the formation of the company. In proportion to the very large business that the company does, there are very few Australians employed by it. The company does employ 17,000 Malays.

Mr. TUDOR.—Not in Australia?

Mr. PALMER.—No. It also employs 22,000 Chinese, while the total number of whites employed is, approximately, 300. Under such conditions as these the company seeks to secure the trade of the people of Australia. This is a "British" company in name, but it is not a British company in essence; and the statement that it gives large employment to Australians is absolutely without justification.

The importation of Shell benzine to Australia, which is claimed to be of great value and importance to this country, is really to the disadvantage of the producers of Australia; and that is a fact which I wish to drive home. The total imports of this stuff from the Dutch East Indies is, approximately, 50,000 tons a year. This, of course, is not a large trade; but, still, we ought to secure all the outward shipping possible. The commodity is brought in tank steamers to our ports, where it is pumped into tanks on the shore, employing practically no labour. The vessels then pump water in for ballast, and go away without any of the produce of Australia.

Shipping is, of all things, essential to us at the present time. This benzine, if it did not come from the Dutch East Indies, would certainly come from the United States of America, which

is now in alliance with ourselves. I am very glad to know that the present Government are seeking to make shipping arrangements by which there will be a considerable increase in the importations from America. If, in addition to other imports, these vessels from America brought the petrol and benzine we require, they would be available for conveying our wheat and other produce to the markets of the world.

Mr. CORSER.—The trade in oil would be an inducement for the vessels to come here.

Mr. PALMER.—That is so. I venture to think that, if we inquired, we should find that the employees who are spoken of as Australians could be really classified, for the most part, as Dutch. Of course, it is very questionable whether they are really Dutch, because there has been much transferring from one nationality to another in order to meet war conditions. At any rate, they are not true sons of Australia, but of alien race. The letter goes on to say—

We sell "Shell" benzine for profit, and you buy it for profitable use, but it is a pleasant reflection to think that others in our own country benefit by your supporting the only spirit imported in bulk and packed in Australian-made tins and cases.

Is it a "pleasant reflection" to think that, in buying this benzine, we are benefiting alien races? My object is to let the public know the facts, for then the advantage of closer trading relations with our Allies in the United States of America would be appreciated. I believe that these people are more sympathetic with our enemies than with us, and if our enemies were to determine to enlarge the sphere of their submarine warfare, it would be most advantageous to them to be able to get from these neutrals on the high seas the first essential to the working of a submarine. This is a big consideration. I hope that the Government, when it has concluded arrangements with our Ally, the United States of America, for working in unison in regard to shipping, will say, "We shall not allow produce to come to this country except in cargo ships suitable for the conveyance of our produce to other parts of the world."

Mr. WEST.—The oil is brought here in bulk in specially constructed vessels which cannot carry cargo, but it is tinned and cased here, and the tinning and casing employ Australian labour.

Mr. PALMER.—My point is that the vessels which bring this oil cannot take cargo from Australia, but that if we got our supplies of benzine from America, they would be brought in cases in cargo ships which could take away our produce.

I draw attention to another point in connexion with the company, and that is that, under its articles of association, it has but one director, Detterding; and its shares are held not by individuals, but by other companies with which it is interlocked. When, in the last Parliament, I moved the adjournment of the House to draw attention to this matter, I pointed out some of the peculiarities of the balance-sheets of the company, but as my time was somewhat limited, I was not able to emphasize this particular point. Undoubtedly a company such as this, whose shares are held by other companies, can so juggle with figures as to show a loss where otherwise a profit would have to be shown. The Government, and the Treasurer in particular, should look into the financing of this concern. On the occasion to which I have referred, I quoted from the balance-sheets of the company to show that it has been working here at nominally a great loss, but we know—and the keenness to get trade displayed in this letter is evidence of it—that it is making great profits out of its Australian business.

Mr. BOYD.—Did not the British Government make a report to the Prime Minister in regard to this company?

Mr. PALMER.—It made a report in regard to the man Detterding.

Mr. TUDOR.—No; in regard to the company.

Mr. PALMER.—I have been favoured with a copy of the report of the British Government, which, I am satisfied, knows very little about the British Imperial Oil Company. That company, although registered in Great Britain, is not a trading concern there.

Mr. BOYD.—The British Government said that, after investigation, they were treating the company as a British company. Surely that ought to be enough.

Mr. PALMER.—There is such a thing in Great Britain as the unseen hand. I am sorry that the interjection makes it necessary for me to refer to that. It is forced on us not to accept the assurances of the British Government regarding a company which is doing its business wholly and solely with Australia.

Mr. FENTON.—Does the honorable member say that the British Government is conniving at what he calls the unseen hand?

Mr. PALMER.—I make no such suggestion.

Mr. FENTON.—The honorable member throws overboard the British Government's report.

Mr. PALMER.—The British Government has not the necessary knowledge to report concerning a company which is not trading in Great Britain.

Mr. LAIRD SMITH.—Whence is the oil brought?

Mr. PALMER.—From the Dutch East Indies. The company has sent out broadcast over this country a letter in which it tries to make it appear that "Shell" benzine should be used in preference to any other. There is no justification on the score of quality for using that brand of benzine in preference to any other, because oil of the highest quality is obtainable in the United States of America, nor is there any justification on the score of price, because there are American oils which can be obtained for less; I speak with knowledge, as being one of the oldest motorists in Australia.

Mr. BOYD.—What does the honorable member use in his car?

Mr. PALMER.—The oil that gives me the best results, as any common-sense man would. "Shell" benzine does not give the best results. Moreover, its use prevents Australia from getting shipping which would take its products to other parts of the world, and it gives employment, for the most part, to the people of coloured races. I say, in reply to this impudent letter, that the people who consult their own interests will not use this particular commodity, and I say fairly and squarely that I would hit the company in the face in regard to this matter. The users of "Shell" benzine, moreover, use it to the disadvantage of the Commonwealth as a whole. I say that those who exhibit boards advertising the fact that "Shell" benzine, imported by the British Imperial Oil Company, is to be had within, would, if they were true to their best interests, pull them down, and deal in benzine calculated to give better results to Australia as a whole, and at least equally good results so far as car owners are concerned.

Mr. TUDOR (Yarra) [8.23].—When the honorable member for Echuca (Mr.

Palmer) was speaking, I looked round the gallery to see if any representative of the opposition oil firm was there, but I feel sure that they fight fairly for any trade, and would not use any unfair tactics. When the honorable member spoke of himself as one of the oldest motorists in Australia, it occurred to me that his trumpeter must be dead, since he was reduced to blowing his own trumpet. We know that there are two companies in Australia which compete for the sale of benzine and petrol. The honorable member has told us that when he last discussed this matter on a motion for the adjournment of the House, he was prevented, by want of time, from placing his case fully before honorable members. But I find that he was granted an extension of time in order that he might state his case fully. I hold no brief for any company. Any one who had been at the head of the Customs Department as long as I was must know men in every line of business, and I have met the managers of both of these oil companies. A few weeks ago the honorable member for Henty asked whether the Prime Minister had obtained information from the British Government concerning the British Imperial Oil Company, and the Prime Minister's reply was—

Certain information has been received from the British Government in regard to our inquiries relating to this company—

Mr. SPEAKER (Hon. W. Elliot Johnson).—Is the honorable member quoting from the report of the debates of the present session?

Mr. TUDOR.—I am quoting, not the report of a speech, but an answer to a question—

to the effect that the British Imperial Oil Company was a British company, and that there were no reasons why it should not be treated as such.

Mr. PALMER.—Did I not say that the company is registered in Great Britain?

Mr. TUDOR.—And it is registered in New South Wales, too. The honorable member, in the last Parliament, asked whether the British Imperial Oil Company had complied with certain statutory rules, and the Prime Minister replied that the company in question was not incorporated in the Commonwealth, and that the regulations mentioned did not apply to it, but that the Attorney-General had a list of its shareholders as filed under the New South

Wales Companies Act. The circular to which the honorable member has referred is, I presume, sent out to all users of benzine. Both companies, being desirous of getting business, advertise all along our roads, and the British Imperial Oil Company, probably, sent out this circular to every person who has a motor licence or owns a motor. It states that the company employs Australians. Its casing and tinning is done in Australia. This is a Protectionist Parliament, and honorable members, generally, will hold that it is better for this tinning and casing to be done here than outside the Commonwealth.

Mr. PIGOTT.—Can the tin be got here?

Mr. TUDOR.—No, but the timber can be got here. The oil imported in case is admitted without duty on the tins and cases, but the British Imperial Company for its cases must either pay duty on imported timber or use Australian timber. If the honorable member for Echuca (Mr. Palmer) knows anything about this company being anti-British his duty is to go outside this Parliament to make these statements, and denounce the company as an enemy firm. He should not, under the privilege of Parliament, make statements concerning people who are not here to defend themselves. That is what I take exception to. Since I have been in public life I have never attacked an individual who has not been in a position to defend himself. That is why I have objected time after time in this House to officers of public Departments being attacked here, where they cannot speak in self-defence. It is a cowardly thing to do, whether in relation to an individual or a company. If there is anything in the statement the honorable member has made he has a right to go further, and make a direct charge against the company outside. I thought the honorable member was going to make a longer speech, and I was going to look up the figures regarding the imports of benzine and petrol. The manufacture of cases and tins is an asset to Australia, and the people employed in that work here are Australians, and not the Malays or Chinese the honorable member mentioned to-night.

Mr. PALMER.—I wish to state, by way of personal explanation, that it is perfectly true that I was granted leave to continue my remarks on a former occasion, and was therefore free to

speak as long as I liked, but almost immediately after that consent was given, the party Whip approached me with the information that the Prime Minister was exceedingly anxious to answer my speech and to get away to attend to some other important business. He, therefore, asked me if I would kindly bring my remarks to a conclusion as early as possible. Consequently I abbreviated what I had to say.

Mr. MR. BOYD (Henty) [8.33].—I am glad to have heard the Leader of the Opposition's statement. When the honorable member for Echuca (Mr. Palmer) made his statement to the House in the last Parliament I listened to all of it, and was certainly impressed by it. The managing director of the British Imperial Oil Company, Mr. Wagstaff, some considerable time afterwards interviewed me, and asked me if I would ask a question in the House of the Prime Minister regarding the inquiries which had been instituted abroad in connexion with his company. I put the question, and the Prime Minister's answer was read by the Leader of the Opposition to-night. I am satisfied that the information the honorable member for Echuca (Mr. Palmer) possesses does not contain the whole truth. Whoever has primed him up has not given him the full facts. I agree with the Leader of the Opposition that when dealing with the private affairs of individuals or of companies it is very unfair to attack them within these walls, where they have no power to reply. The British Government are not likely to give to the Prime Minister of Australia, on a matter on which he cables for information, a misleading reply, or to send any reply until they have fully investigated to their own satisfaction the conditions of the company concerned so far as lies in their power. I know nothing about who holds shares in the company, and am not here to advertise its wares, but the managing director is as straightforward and honorable a man as there is in this community. His public action in connexion with the petrol inquiry in New South Wales will bear out that statement.

The honorable member for Adelaide (Mr. Yates) has on several occasions twitted me because of an interjection I made in the House when he was speaking, and has seen fit to associate me with the honorable member for Echuca (Mr.

Palmer) as if there was some vendetta on our part against him.

Mr. YATES.—You are pretty persistent, anyhow!

Mr. BOYD.—I have not said anything about it before, but as the honorable member is present to-night I will say what is in my mind, so that the honorable member may be able to reply. Some time ago volunteers were called for to transfer from the artillery to the infantry. I believe there were about 1,200 men in the artillery camp at Maribyrnong, and of these from fourteen to eighteen offered their services. The honorable member for Adelaide (Mr. Yates) enlisted in the Military Forces about seven months ago. He was a member of an infantry corps to start with for several months. He was then transferred into another branch.

Mr. YATES.—No, I did not; that is where you are wrong.

Mr. BOYD.—If the artillery were asked to supply volunteers for the infantry, which apparently was the only branch of the Forces badly in need of recruits, I should like to know from the Minister for Defence or his representative in this Chamber, how it is possible for any man under those conditions, leaving the honorable member for Adelaide (Mr. Yates) aside for the moment, to get from the infantry into the artillery, except through political influence? That wants explanation. The honorable member stated in this Chamber that he is in the King's service, and has to obey the orders of his superiors, and that the fault rests with the Government that he is still sitting here after being seven months in khaki. If it is the fault of his superior officers, or of the Government, that the honorable member is still here when men who have been enlisted for only five or six weeks have been already sent to the Front, I ask the Government now how it is that an honorable member of this House can exercise influence, or can have influence brought to bear—

Mr. FINLAYSON.—Two of them.

Mr. BOYD.—I say "any member." How can any honorable member of this House, or any other House, exercise influence to be kept in Australia when men who enlisted months after they did are at the Front? It is a mighty bad advertisement for the politicians of Australia if they are going to enlist in the King's service and get credit for being in the Australian Imperial Force, and be able

to come into this House seven months after enlisting. That wants serious explanation from whoever represents the Defence Department here. I have no personal objection to the honorable member. I merely interjected during a speech he was making here that it was about time he was at the Front, as he had been long enough in khaki.

Mr. YATES.—But do you think the interjection was fair when you did not know the facts? Was it kind to me, seeing that you had a member on your own side who joined at the same time?

Mr. BOYD.—In what I am saying I am not referring to the honorable member personally. I made the interjection jocularly, or it may have been in the heat of the moment, although I do not think I was very heated at the time. The honorable member, however, returned to the attack so often that I thought I ought to reply. I have never been afraid of being hit. I am prepared to accept the honorable member's statement that his being here is not his fault; but it passes my comprehension how a member of Parliament can get back into the artillery, the very branch of the service that was reputed to be overloaded, after the Defence Department had asked men in the artillery to volunteer for the infantry. It is not a nice advertisement for the legislators of Australia that such a thing can occur in our midst.

Mr. YATES (Adelaide) [8.43].—I am glad the honorable member for Henty (Mr. Boyd) has taken up this attitude. I thought the House was engaged in more important matters than my position in the Military Forces, and had decided not to refer to it, but now that it has been mentioned, I am pleased to have the opportunity of stating the real facts. There are a lot of little-minded people in this world and in this House, particularly in one or two instances.

The SPEAKER.—Order! The honorable member is not in order in making a reflection of that kind on honorable members.

Mr. YATES.—If I have misjudged the size of their minds I apologize. Nevertheless, that is likely to be thought from the remarks they have made. I may be wrong, but I was only thinking what deductions might be made by those who read the remarks of those particular

members in *Hansard* or the press. The Defence Department is greatly wanting in not taking to task those people who are using my position, and the position of other honorable members, in the same manner as the honorable member for Henty (Mr. Boyd) has inferentially used it to-night. Only last week in the *Adelaide Advertiser* appeared a letter written by a Mr. J. R. Henley, of Semaphore-road, Exeter, in the district of Hindmarsh—whether inspired or not I do not know—saying it was time the Defence Department sent Mr. G. E. Yates, M.H.R., to the Front, as he was not really in training, but was wasting his time in Federal Parliament House. I replied to that letter correcting the misstatement. I knew it was a political and splenetic attack on me, and I could afford to pass that over. But I did point out that the time I spend in this House is my leave, to which I am entitled as well as any other soldier, and I have a right to occupy my own time in this House without honorable members accusing me of doing something which I ought not to do. I have not missed one parade at Maribyrnong without permission, but have honorably fulfilled the compact I made when I joined the Australian Imperial Force. On more than one occasion I have sent to the Minister for Defence letters which have appeared in the press; they are in his office, and if he has done his duty, he has read them. Men outside are being cajoled and appealed to, as the honorable member for Denison (Mr. Laird Smith) pleaded the other day, when he declared that he would never again say that men were cold-footers, because he knew that he might be doing an injustice to some of them.

Mr. LAIRD SMITH.—The honorable member was not in the Artillery when I was in office.

Mr. YATES.—I did not say I was in the Artillery then; but I am waiting for the time when the honorable member will himself be in the Australian Imperial Force. In addition to the writer from Semaphore-road, Exeter, another writer to the press stated that I was in the office at Keswick Camp, and had not left South Australia. Those in South Australia who knew me well wondered as to my movements; and it follows that men like Mr. Henley will

not volunteer for service when they think that I am getting advantages because of political influence. Those writers to the press were without accurate knowledge of my movements, and it is the duty of the Prime Minister, having regard to the fact that, under the War Precautions Act, he has prosecuted so many persons on flimsy pretexts, to prosecute those who write letters without knowledge of the facts, and so prejudice recruiting. And it is time that the Minister for Defence opened his mouth to protect me, if his is the responsibility for my not having been sent to the Front.

Mr. BOYD.—Hear, hear; if the fault is his.

Mr. YATES.—I am sure the honorable member for Henty (Mr. Boyd) would not wilfully do me an injustice; but it was unkind of him not to ascertain the facts before making a charge against me. I accept his assurance that he did not make his remarks, as some honorable members have done, splenetically, and with a desire to hurt my feelings.

When speaking on the Public Service Bill recently, I attempted to place on record the circumstances of my enlistment. I had reached the stage when I was obliged to receive dental treatment; and, since then, I have had a gun accident which has destroyed one of my teeth, and I have had to have another tooth inserted. So honorable members will see that I have lost something for the Empire. I knew that remark would bring a loud guffaw from the honorable member for Hindmarsh (Mr. Archibald) who, during the election campaign, said he had made the doubtful sacrifice for the Empire of losing his seat. However, the honorable member got under the National party's umbrella, and did not lose his seat; so that he has not even lost a tooth for the Empire. I assure honorable members that I am prepared to make a sacrifice. I have not yet asked to be relieved of the obligations I undertook when I joined the Expeditionary Force in October last. I cannot say that of other members of the Force. I could say a little on that point if I liked to open my mouth, but that is not my desire. Up to December last, I was eligible to be drafted into any unit, either Artillery or Infantry. At about

that time, the new recruiting scheme was launched by the Prime Minister, and the onus was thrown upon every honorable member to become the chairman of the Recruiting Committee in his electorate. I received a letter to that effect from Mr. Mackinnon; and it was necessary for me, if I was to fulfil my obligation as chairman of the committee, to obtain leave for two months. I did that; and, at the end of that period, being dissatisfied with the rate of recruiting, I desisted, and went into Camp on the 1st March. On entering Camp, I was asked which arm of the Service I desired to serve in, and I made it quite clear to Lt.-Colonel Dollman, the Officer Commanding Mitcham Camp, that I had no desire to kill or be killed. I said that the taking of human life was opposed to the principles of the party to which I belonged, and to my own instinctive principles; and, if there was any vacancy in the Army Medical Corps, I would prefer to serve with it. On the 23rd March, I had received no reply to my application, and I went to the Officer Commanding A Base, where the unattached men were congregated, and told him I was desirous of having a reply as to whether I could enter the Army Medical Corps or not. At that time, I was working in the office of the Army Service Corps; and, on that same afternoon, an orderly brought to me a minute, which stated that my application of the 23rd March had been forwarded to the 3rd Military District Head-Quarters. I wrote on the minute that I had duly noted its contents, but that my application was made on the 1st, and not the 23rd March, and I would be pleased if finality could be expedited. Six weeks elapsed from the time I enlisted before I received a reply that I could not join the Army Service Corps. I again went into the office at A Base, and I was asked what arm of the Service I intended to join. I replied to the young returned soldier who asked me the question, "I do not know anything about it. What would you do?" He replied, "If I were you, I should go into the Artillery." "Why the Artillery?" He said, "Between you and me, there is no foot-slogging in the Artillery, and you have not the same graft to do in that service; but I warn you that if you do

get hit, you are cleaned up." I said, "You know more about it than I do, and I am content to take your advice." I put in my application to be transferred to the Artillery, and in that service I am to-day.

Before quoting the letters which have passed between me and the Minister for Defence, I wish to inform the House of the reasons which actuated me in writing them. The honorable member for Henty (Mr. Boyd) inferred that I had used political influence.

Mr. BOYD.—I said there was an appearance of political influence.

Mr. YATES.—Political influence in my case extended this far, that if any soldier has had less leave for personal convenience than I have had he has had none at all. I did apply for leave for the afternoon and evening when the honorable member for Yarra (Mr. Tudor), as Leader of the Opposition, came to Adelaide to address a meeting in my constituency, but Lieut.-Colonel Dollman refused my application. My commanding officer asked me if I wished to be paraded before Lieut.-Colonel Dollman, and I replied in the affirmative. When I appeared before him Lieut.-Colonel Dollman said, "What do you desire to say?" I said, "I have been treated distinctly unfairly." He said, "You cannot say that in the Military Forces." "What can I say?" I asked. "You can say you are dissatisfied." I replied, "If I were not dissatisfied, I would not be here." After further remarks by him, I said, "That does not alter the opinion I had when I came here." He said, "I have nothing to do with your opinion." I said, "Very well, sir, good day." A few days later I received another letter which raised my ire, and I was again paraded. Lieut.-Colonel Dollman was not present, but I told the Camp Adjutant that I had finished writing through the ordinary channels of the military organization, and in future I would, in my capacity as member for Adelaide, write to the Minister for Defence direct. He said, "If you do that it will be at your own risk." "What risk do I take?" "You break the King's regulations." "What particular regulation do I break?" "I do not know, but you infringe the War Precautions Act." "Very well, I will infringe the War Precautions Act." I did so, and here I

am. I telegraphed to the Minister for Defence, asking for leave to attend Mr. Tudor's meeting, but the message passed through several channels, and only reached the Minister when he was on the boat. Even then I received no reply. The outcome was a letter to the Minister for Defence, and I ask honorable members to note the tone of the Minister's reply, in order to see if there was any political influence or bias in my favour.

Copies of the letter were sent to the three daily papers in Adelaide, but never saw the light of publication. The Minister is too safely hedged about by his censors, and there remained only the one way of making my position known to the people of Adelaide, and that was by addressing a meeting in the Botanic Park. I took the risk of action under the War Precautions Act, and made the contents of the letter public at that gathering.

Mr. HIGGS.—Does every recruit have the same experience as the honorable member has had?

Mr. YATES.—No; but when I am charged with having used political influence, I wish to assure the House that I could get more than one man from Mitcham camp who would say that when I was there they "rubbed the dirt into me." I do not mind that, but I hope to return from the Front some day, and be able to say that I did something for the Empire apart from making money out of the war. If honorable members will note the tone of the letter and subsequent telegrams exchanged between the Minister for Defence and myself, they will see whether I am in his good books or not, and whether an honorary coloneley is coming my way without my earning it. I do not see myself getting more than 6s. per day all the time I am on the job, but I shall not be dissatisfied. I am content to be with the boys, and do my duty with them, and I shall be able to hold up my head more honorably than those who have gone to Europe for the money they can get out of the King's service, and who see only the smoke of the battle, and do not feel the punch. I do not say that with any desire to hurt the feelings of my parliamentary confrères in the Army. My association with the military organization has not been at all irksome, and I do not regret having enlisted. I sent the following

letter to the Minister for Defence in Western Australia.

Adelaide, 25th April, 1917.

Hon. G. F. Pearce,

Minister for Defence,
West Australia.

Dear Sir,

I regret that it is necessary for me to have to take up the attitude I am now doing, but I feel that no other course is open to me if I am to retain my self-respect and that liberty to which I think every individual is entitled, be he citizen or soldier.

On the 11th instant, I addressed a letter to you, through the Camp Commandant, which, from the nature of the reply that I have received I cannot conceive was ever brought under your notice, hence the present communication.

The letter referred to was as follows:—

“Mitcham Camp,

11th April, 1917.

“Dear Sir,

I desire to bring under your notice what appears to be an injustice that not only affects myself, but any member of the Australian Imperial Force that happens to be a South Australian.

When I returned to Camp from recruiting leave, on 1st March, I applied to be drafted into the Army Service Corps, and was informed that I should have to pay my own fare to Melbourne. This I agreed to do, but heard nothing further of my application until the 26th idem, when a minute was brought under my notice stating that my application of the 23rd instant had been forwarded to the 3rd Military District for decision.

On Wednesday last—

That was prior to the 11th April—

just three weeks after, I was informed that my application could not be granted—

It will thus be seen that it took the Military Department nearly six weeks to deal with a simple request from a member of the Forces to be drafted into the corps which he had selected. I was told that I could select my own corps, and I only asked for what every man who enlists has a right to ask.

Mr. BOYD.—What was meant by the reference in that letter to the honorable member paying his own fare?

Mr. YATES.—They only recruit in Melbourne or Sydney for the Army Service Corps. If a South Australian was lucky enough to obtain a call to join the Army Service Corps he was burdened with the payment of his own fare to Melbourne.

Mr. LAIRD SMITH.—But the honorable member could travel on his own gold pass.

Mr. YATES.—This military man did not know that. I did not tell him that, as a member of Parliament, I had a gold pass which would carry me from Adelaide to Rockhampton. He did not know that the Commonwealth would pay my fare. I told him that I would pay my own. The honorable member need not worry about that matter. The letter continued—

On Wednesday last, just three weeks after, I was informed that my application could not be granted, as there was no vacancy in the A.S.C. at present.

This accepted as gospel; but, during the Easter week, I made mention of the facts to a visiting member of the Australian Imperial Force from Victoria, when he informed me that it was all nonsense, and that recruits were being accepted every day in Victoria for that unit.

I could not get in from South Australia, but in Victoria they were taking recruits for that unit every day. The honorable member for Robertson (Mr. Fleming), as a matter of fact, got into that unit in Melbourne. I do not say that he had any political influence. It was an easy matter for him, however, to get into it, whereas I could not. He may be a blood-thirsty individual. I do not know whether he is or not. I certainly am not, and I made that fact quite clear. I also made it clear to Colonel Dollman that if room could not be found for me in the Army Service Corps, and if fight I must, I would not refrain from going into the fighting line. I merely wanted that liberty and that consideration which is accorded to every member of the Forces. The letter continues—

My informant is an officer—

and he had more than three stripes—

My informant is an officer, and reliable, so that I desire that inquiries be made into the matter, as it is distinctly unfair, not only to myself, but to others who should have just the same opportunity as the resident of any other State.

As a case in point, in the office where I have been doing duty for the past six weeks, there was a young fellow who had been rejected three times for active service, but eventually passed, and signified his intention to join the A.S.C. He has been here for nigh on twelve months, and has a thorough knowledge of the work, but he was advised not to apply, as there was no chance for a South Australian. He has since joined the Light Horse; but, as he has a minor defect, he is fearsome that, in the last test, he will be rejected; while, for the business in which he has been engaged, and which he desired to continue, he would have been a reliable and zealous soldier.

I cannot help but express the opinion, in view of my experience, and what I have stated, that the consideration given to each application is of the foregone-conclusion character, and that it is a farce to make them.

Another matter I desire to refer to is the refusal by the Camp Commandant of my request for leave in accordance with Circular 23526, relating leave to members of the Australian Imperial Force who are candidates for Parliament. I trust that the fact that I was fortunate enough to meet with no opposition to my candidature will not debar me from the leave asked for, as it is my desire to join in the campaign just as if my seat was being contested. I therefore desire that you will consider the matter without delay, and grant me the leave asked for.

I shall esteem it a favour if you will treat this matter as urgent.

(Signed) G. E. YATES."

I also applied for leave to attend Mr. Tudor's meetings on Thursday last, but again met with refusal; and I wired you protesting, hoping that the rigorous application of discipline might be revoked under the special circumstances. I am informed that my wire did not reach you until after you had embarked for Western Australia, for I received no reply; which may be my bad luck.

To-day I received the reply to which I refer, which is as follows:—

I would specially direct the attention of the honorable member for Henty (Mr. Boyd) to this reply, which I received from the 3rd Military District, or, in other words, from the authorities at the Victoria Barracks, St. Kilda-road, Melbourne—

"The leave for candidates for Federal Parliament is intended for those members of the Australian Imperial Force in Australia who are being opposed in their seats. Private Yates is not being opposed, and should not, therefore, be granted leave. It is time that this soldier should be sent on the duty for which he enlisted."

That was what they said in Melbourne on 26th April. I am still here. What in heaven's name is the matter, I want to know?

Mr. MANIFOLD.—Who signed that reply?

Mr. YATES.—It is only an extract from what was shown to me as a minute. My letter continued—

I deeply resent the insult conveyed in the last sentence, that I am a malingerer; and, though such methods and tactics may be applied to discredit those who have gone overseas and cannot defend themselves, I do not intend to allow the same third degree to be applied to me in silence.

When I enlisted in the Forces, I did so without any reservation, and no man has had less leave than myself for personal convenience.

When the Prime Minister first promulgated his recruiting scheme, and I was advised by Mr. Mackinnon that I was to be the chairman of the Adelaide District Committee, I accepted the responsibility, and applied for the necessary month's leave. The fact that that month was wasted was no fault of mine, and I applied for still a further month; but, as I thought that the necessary amount of vigour was not being imparted into it by the Central Committee, I informed my committee that I would ask for no further leave, but would go into Camp on March 1st. This I did, and immediately applied for inclusion in the unit mentioned in my letter; but five weeks elapsed before a reply was received, and that only after my inquiring what had become of my application. I then applied to join the Artillery, the unit I am now attached to.

I was never attached to any unit. I did not transfer from one unit to another. I went where they put me.

Mr. BOYD.—Did they not put the honorable member into the Pioneer Corps when he enlisted?

Mr. YATES.—No.

Mr. BOYD.—The report from the Department says that they did. I am speaking now of when the honorable member enlisted on 30th October last.

Mr. YATES.—I did not go into camp until the 7th November last. I was then drafted into what was known as the "A" Company at the Exhibition. I was what was called a "C" dental patient. Some of the men told me that I might be there for six months. They said that it took a deuce of a time to fix up a man's teeth. If the honorable member will ask for a return as to how many men have been in camp for over twelve months I guarantee that he will be given a list of over fifty names.

Mr. BOYD.—Then something is wrong.

Mr. YATES.—The honorable member said that I was drafted into the Pioneer Corps. As a matter of fact, I went into camp at the Exhibition. We had there what was known as a Hospital Camp consisting of men whose teeth had to be attended to. There were three sections, consisting of (1) those who had good teeth, (2) those who had second class teeth, and (3) those who were considered to have third class teeth. It was only when I went to Mitcham that I was to be drafted into a unit. So far as I know, I was never drafted into one. When I went to Mitcham, I was asked to which unit I desired to be attached, and I named that which I have already mentioned.

Mr. BOYD.—My point was that the honorable member got into the Artillery after

the military authorities had asked the Artillery for volunteers for the Infantry.

Mr. YATES.—The honorable member is wrong again. I shall come to that matter. My letter continued—

There is nothing to prevent the Department shipping me as soon as it thinks fit.

I could not say more than that. When I first went into camp I told my wife, and those dependent upon me, to be prepared for my going away before Christmas. I told them to do all their crying between then and Christmas, because I did not expect to remain in Australia after the New Year. Honorable members may smile, but I did not volunteer for fun. I am not as insincere as some honorable members opposite are in their talk of winning the war.

Mr. BOYD.—Since the honorable member is making a joke of the matter, to which Christmas did he refer?

Mr. YATES.—Seeing that my dad is seventy-nine years of age, it is not likely that I would have hazarded the belief that he was likely to see two Christmas days ahead. Common sense suggests that I was referring to the Christmas then next ensuing. The letter continues—

You will see that any delay in my departure has not been connived at by me, and I throw back the gratuitous insult—

This was not the sort of letter that was likely to secure for me political influence—

and suggest that a return be prepared showing how many more men have been delayed by a like prompt attention to correspondence, the number of men who have been in Camp the same length of time as myself, and longer; and the number of "Tennyson's Brooks" there are holding higher rank than myself, and the reason for them?

That does not suggest that I was seeking any political influence—

Perhaps the more genuine the soldier, the less the respect; but I venture to suggest that such tactics are not only discreditable and dishonorable, but are subversive of a policy for winning the war.

I am supplying a copy of this letter to the daily press, in my own defence.

Yours faithfully,

E. YATES.

Mr. BOYD.—To whom was that letter addressed?

Mr. YATES.—It was addressed to the Minister for Defence on the 26th April last.

The House has now all the facts as to my position. The accusation made

against me by the honorable member for Henty was also made on one occasion by the South Australian Commissioner for Public Works, Mr. Harry Jackson, at a public meeting which was attended by Senator Russell, who was then Assistant Minister for Defence. I sent a telegram to the Minister for Defence asking him to contradict the statement on my behalf. He telegraphed, in reply, asking me in which newspaper the statement made by Mr. Jackson appeared. The meeting in question was held in front of the Trades Hall, and the local newspapers do not report such meetings. That being so, they did not publish the statements made on that occasion by Senator Russell, when he said that he had held at one time or another every Federal portfolio. He said, in effect—

Oh, I am a cook and a captain bold,
And the mate of the *Nancy* brig,
And a bo'sun tight, and a midshipmite,
And the crew of the captain's gig.

Mr. JOSEPH COOK.—Hear, hear!

Mr. YATES.—That is what the Minister's pal—that is what his offside—practically said of himself. He went even further, and said, "There is not a man in Melbourne who has done more for Labour than I have." Some one in the crowd interjected, "What about Teddy Findley?" Then, in a weak sort of a way, Senator Russell replied, "Oh, he is an older man than I am." If some one had asked, "What about Steve Barker?" he would have dropped dead. I telegraphed to the Minister for Defence asking him to lift the censorship from this letter, so that it might go out to the public. I got this wire from the Minister—

Cannot approve any publication in press of this matter, which entirely one of discipline and administration Australian Imperial Force, and in which you must take same course as any other soldier.

I was taking the same course as any other soldier ought to take, and I told him that he was nothing more than a contemptible cad in the attitude he assumed. That does not look as if I were using any political influence on my own behalf. I wired to the Minister in Melbourne relative to the matter, and I received this reply—

Please call Censor Office, Eastern Extension Company, after 10, Tuesday, re your wire to Melbourne.

I was asked to go and see an ex-public servant *re* a correspondence I had had, as a member, with a Minister, but I never went near Dyke. Does that look as if influence was used on my behalf? I will tell honorable members why that little stab was sent from the Victoria Barracks. At Mitcham camp, where I was, the holidays announced were Christmas Day, the 28th December, and New Year's Day. The Department was magnanimous enough to give the soldiers three days' holiday. I wired to the Minister for Defence, and told him of the dissatisfaction which the arrangement was causing, and suggested closing the camp from Christmas Eve until after New Year's Day. This I made as an economic suggestion, seeing that if the men were away from camp, they would have to buy all their own food. Strange to say, I got back a message to the effect that leave had been altered from the 27th December to the 2nd January inclusive. One of the officers, who asked to see the wire, expressed the opinion that it was a farce to get the men back for two days, as they would have nothing to do, and would have to be fed at the expense of the country. I brought the matter under the notice of the Acting Minister for Defence, but he had not the spine to act on his own initiative.

MR. LAIRD SMITH.—I would not take dictation from you.

MR. YATES.—Of course not.

MR. LAIRD SMITH.—If I had remained at the Department, you would have been away before now.

MR. YATES.—No doubt I would have been in Mesopotamia.

MR. LAIRD SMITH.—Exactly.

MR. SPEAKER.—Order!

MR. YATES.—But you have not left Australia, although you are eligible.

MR. LAIRD SMITH.—I would leave to-morrow if I were your age.

MR. SPEAKER.—Order!

MR. YATES.—I will compare my age with yours at any time.

MR. SPEAKER.—Order!

MR. LAIRD SMITH.—Nobody did more to dodge going to the Front than you did when I was Minister!

MR. SPEAKER.—I have several times called for order; and I ask honorable members to respect the call from the chair, especially when it has to be repeated. These personal interchanges are

distinctly irregular, and only provocative of disorder.

MR. YATES.—The honorable member for Denison (Mr. Laird Smith) is making statements which have a hidden meaning, and which are similar to one or two I have heard him make to others. I ask the honorable member to produce any documentary evidence he likes—to retail any conversation, or one word that I have ever spoken to him, to any officer, or any other person in the Department in regard to any matter pertaining to myself as a soldier. I say, deliberately, that I have never spoken a word to the honorable member in regard to myself as a member of the Forces. I do not fear the honorable member's innuendoes, for I challenge him to contradict what I have said. Let him get up, and retail anything to the contrary.

MR. LAIRD SMITH.—The rules of the House prevent my doing so.

MR. SPEAKER.—Order!

MR. YATES.—As a further refutation of the suggestion of the honorable member for Henty (Mr. Boyd) as to political influence exercised on my behalf, I should like to relate some other circumstances. At Easter time, we got word that the men in camp were to have Good Friday and Easter Saturday as holidays. In South Australia, Easter Monday is something of a national race day, on account of the Onkaparinga races; and, as the men in camp were mostly "sports," there was general dissatisfaction with the holiday arrangements. I wired to the Minister for Defence (Senator Pearce) pointing out the position, but, knowing that my influence with him was not very great, I telephoned to the Minister for Home and Territories (Mr. Glynn), telling him what I had done, and asking him to assist in getting the holiday extended. That gentleman acquiesced in my request. In reply to my wire to the Minister for Defence, I got the following reply:—

Have fully considered question of Easter leave, and regret cannot authorize variation of instructions issued.

That was before the Minister for Home and Territories had communicated with the Minister for Defence; but after he did communicate with him, I received another wire, as follows:—

My telegram you yesterday cancelled. Have issued amended instructions leave to be from

conclusion afternoon parade, Good Friday, until midnight Easter Monday.

What I could not do, the Minister for Home and Territories could do.

Mr. GLYNN.—I think the telegram from me to the Minister urged that the same rule should prevail in South Australia as in Victoria.

Mr. YATES.—I do not know what the honorable gentleman's telegram was, but the telegrams I have read were those I received from the Minister. I hope I have completely proved that I am not responsible for my remaining in Australia longer than is necessary. I hope I have satisfied the honorable member for Henty (Mr. Boyd) that there is no suggestion of political influence, or of any bias in my favour, in the Defence Department.

Mr. BOYD.—To be candid, you have.

Mr. YATES.—I have hidden nothing, and embellished nothing, but simply placed the facts before honorable members. I do not ask for consideration, but only for a fair deal and no favour.

Having spoken of my own case, I would now like to give an instance of what political influence can do. We had a secretary in South Australia, Captain Olifent, who had had twenty-nine years of military experience, and who went to Duntroon with a view to qualifying himself for a position in the Australian Imperial Force, but failed. It was stated, however, in the daily papers that he had enlisted for the Front; and the following is the kind of letter that the Prime Minister sent to him on that occasion:—

Allow me to offer you my congratulations. It is redolent of fine spirit, and expressive of the characteristics of the mind from which it springs. I am sure your action will do great good, and that it will serve as a clarion call to those who still hesitate.

Fine language! Either that letter was written in collaboration with the Minister for Defence, or the Minister for Defence copied the Prime Minister, or the Prime Minister copied the Minister for Defence, as this and another letter I shall read will show. The letter of the Minister of Defence to Captain Olifent was as follows:—

I applaud your decision to join the Australian Imperial Force, and congratulate you on the step you have taken. I feel that you have acted as you have done out of regard to the necessities of the present situation, and trust that your example will be a call to those who still hesitate.

Then the Minister for Home and Territories took a hand in the laudation of this soldier—the soldier who is not a soldier. The honorable gentleman wrote as follows:—

Captain Olifent has, by enlisting, given an effective stimulus and personal example in regard to volunteering. I know from my intimacy with him as a member of the State War Council, that he was mainly actuated by a sense of patriotism and duty. His volunteering for service at the Front will have a good effect upon the people. He certainly has excellent qualifications by his long training in the Military in times of peace, as well as in war. He has been an energetic member of the War Council, and is familiar with the pressing problems before it. He has a physique which shows he bears his moderate years well. All this goes to show that he should be a valued member of the Australian Imperial Force.

Captain Olifent is about 6 ft. 2 in., and I dare say he weighs up to 18 stone. There was another letter written by Captain Solomon, V.D., but that does not concern us.

Mr. GLYNN.—Captain Olifent was on the State War Committee, and other Committees, with me.

Mr. YATES.—I admit that; but I think that the honorable gentleman was misled. He was not behind the scenes, or he would have known that when Captain Olifent vacated his position as secretary, he left the docket-holes full of letters, showing the negotiations that had gone on between himself and the Minister for Defence. This fine soldier with twenty-nine years' experience, whose example would act as a "clarion call," and whose "fine physique" would be an acquisition to the Australian Imperial Force, is now, after one trip to England as a transport officer, on his way back to the Old Country in a similar capacity, with the pay that goes with the honorary rank of Major. He is given these health trips after all the lick-spittle nonsense I have read; and perhaps the honorable member for Henty (Mr. Boyd) would like to ask the Minister for Defence some questions about this case. Captain Olifent had all this stuff written about him, although he is simply a transport officer, whose address in London, I believe, is the Cecil, or some other great hotel. For these health trips he gets anything from £1 to £2 per day.

I do not say that as a soldier I will do great things, but I am prepared to do what I am told, as honestly and well as

I know how. Yet I have to put up with the insignificant remarks of the honorable member for Echuca (Mr. Palmer), backed up by the guffaw of the honorable member for Hindmarsh (Mr. Archibald). I leave the public to judge as between the treatment given to a soldier and the treatment of one who is used simply as a mantle-piece ornament, and paid well for occupying the position.

Mr. LAIRD SMITH.—I cannot understand why the honorable member for Adelaide (Mr. Yates) has made an attack on me. What he said calls for a personal explanation. When I entered the Defence Department as Minister, I resolved to forget all politics when approached by a member, and to do my duty to the best of my ability. The honorable member for Adelaide had hardly entered the Forces before he made application to come to Melbourne. The reason for this was that he wished to interview the Minister. He has charged me with being spineless, because I refused to treat him, at his dictation, contrary to the way in which any other private would have been treated under the military regulations. I told him that I knew him as Private Yates, not as the honorable member for Adelaide.

Mr. BRENNAN.—Is this a personal explanation? While I am willing to hear the honorable member, I submit, with due deference, Mr. Deputy Speaker, that what he is saying should form part of his speech on the motion before the House. There is nothing to prevent him from saying what he wishes in speaking to the motion now under discussion.

Mr. TUDOR.—He has already spoken in this debate.

Mr. BRENNAN.—Then I do not press my point. I rose, to some extent, under a misapprehension, and have no desire to prevent the honorable member from speaking. I thought that what he was saying would better form the subject-matter of a speech than of a personal explanation, and that then an honorable member on this side of the chamber would get the next call, there being many of us who desire to speak on the motion.

Mr. DEPUTY SPEAKER (Hon. J. M. Chanter).—The honorable member for Denison (Mr. Laird Smith) rose to make a personal explanation, which every honorable member has a right to do when he conceives himself to have been misrepresented. I followed his remarks closely,

lest he might break into new matter, and go beyond the statements made concerning him by the honorable member for Adelaide (Mr. Yates), but when interrupted, he had not gone beyond what it is permissible to say under cover of a personal explanation.

Mr. LAIRD SMITH.—I have not much more to say. I endeavoured to give the honorable member for Adelaide a fair deal. I gave him to understand from the first moment that he approached me that I knew him as Private Yates, and not as a member of Parliament. That is why I did not act on his suggestion. It was for the Minister to judge what should be done, and I refused to be dictated to by him. I acted on my own responsibility, and did what I considered the right thing under the circumstances.

Mr. YATES.—The honorable member for Denison (Mr. Laird Smith) has stated that no sooner had I entered the Forces than I came to him. I wish to explain that I paid my first visit to Melbourne after my enlistment between the 30th October and the 7th November, and the honorable member was not then Assistant Minister for Defence. My second visit to Melbourne was made at Christmas time. It was then that I spoke to him regarding the holiday from the camp at Mitcham. The other occasion on which I spoke to him was when, being due back at Mitcham on the 2nd January, which necessitated leaving Melbourne on New Year's Day, and not wishing to travel on the holiday, I asked for leave to return on the 3rd.

Mr. LAIRD SMITH.—Was not the honorable member in uniform on each occasion that he saw me?

Mr. YATES.—Being a member of the Forces, I dare not doff my uniform. As to coming to the honorable member for any personal advantage, if he suggests such a thing, I have the greatest contempt for his veracity.

Mr. ARCHIBALD (Hindmarsh) [9.35].—The defence of the honorable member for Adelaide (Mr. Yates) may be well enough so far as it goes, but the continual presence here and elsewhere of members in the King's uniform has been remarked on, especially in view of the fact that recruits are being urgently asked for. The honorable member made some remarks concerning Mr. Henley, who is a constituent of mine. I saw that gentleman's letter, but I have not met him or

corresponded with him since my last visit home, and he has had no inspiration from me.

Mr. YATES.—You know him.

Mr. ARCHIBALD.—I have known him for the last thirty years as a man of honour and a gentleman, which is more than I know the honorable member to be.

Mr. YATES.—The honorable member cannot think that of him after having read his letter. The honorable member does not understand the meaning of the word "gentleman."

Mr. ARCHIBALD.—The speech of the honorable member for Adelaide (Mr. Yates) was a characteristic one. It is a pity that he could not defend himself without making an attack on Major Olifent, who is at present on the high seas. Major Olifent, like Senator Colonel Rowell, was connected with the Volunteer Forces of the Commonwealth for more years than I care to remember. Year in and year out these officers and others donned the King's uniform and attended parades on Saturdays and other occasions, being often insulted for doing so. They then formed the nucleus of our Defence Force. When war broke out the Fisher Administration, of which I was a member, determined to give these officers, who had devoted the best years of their life to military work, the opportunity to go to Duntroon to study for examinations enabling them to obtain commissions in the Expeditionary Force. It was thought a matter of justice and equity that we should do that instead of giving all such commissions to young men of twenty-two or twenty-three, who naturally could pass examinations more easily than men in middle life. Parliament and the people indorsed that determination of the Ministry. It is possible that Major Olifent did not pass his examinations, because we know how difficult it is for a man of middle age to do what is easy for a young man. Still it will not be denied that there are many men wearing the King's uniform who are able and efficient officers in spite of the fact that they have not passed examinations. Many of those who have been promoted on the field of battle in Flanders have not done so, and will not be asked to do so. So far as that is concerned, that is nothing to be said in disparagement of Major Olifent.

As for transport service, the Minister has stated on more than one occasion that it is desirable to employ

officers who are too old for active service, and thus relieve younger and more active men. Elderly men by reason of their experience and tact, are often more valuable for transport officers than younger men would be. Senator Lt.-Colonel O'Loughlin has made several trips in charge of transports. The attack made on Major Olifent by the honorable member for Adelaide (Mr. Yates) was caused by spite and malignity. The honorable member might have waited till Major Olifent had returned to Australia, and should not have used his position in the House to attack him in his absence. To my mind, his action was contrary to fair play. Men in uniform should not be allowed to stay here for over twelve months at a time when recruits are being called for. It is continually being asked, in the district of Hindmarsh, as elsewhere, when recruits are asked for, "Why is not so-and-so at the Front?" I have known young men to be sent abroad within six weeks after they entered camp, and some of them have been killed within a year of their enlistment. Yet men of the stamp of the honorable member for Adelaide loaf about month in and month out for over a year without going away. This is a matter in regard to which the Defence Department should make some explanation. When men are asked to enlist they say, "Why does not so-and-so go away?" We have heard the record of the honorable member for Adelaide (Mr. Yates). Let us see what the Defence Department has to say of him. If the Department is correct, we ought to have it placed on record; if it is not correct, the sooner it is withdrawn the better. It is as follows:—

With further reference to your letter dated 27th ultimo, inquiring as to the circumstances of the enlistment and military service of Gunner G. Yates, I am directed to inform you, in reply to your questions (which are returned herewith), as follows:—

1. No. S.9122 Gunner G. E. Yates was enlisted on the 30th October, 1916, and reported for duty in camp on the 4th November, 1916. He was allotted to the 9th Reinforcements of the 5th Pioneer Battalion, which embarked on 10th February, 1917. He was given leave of absence from the 22nd November, 1916, to the 1st March, 1917, for recruiting purposes, and, therefore, could not be embarked with the Pioneer Reinforcements. He was accordingly transferred to the Base Infantry Details for allotment to an infantry reinforcement. On the 1st March, 1917, he applied to be transferred to the Army Service Corps, but was informed that there

were no vacancies for the Army Service Corps in South Australia. His application was referred to the Commandant, Melbourne, as to whether there was a vacancy in the Army Service Corps Reinforcements in Victoria. The Commandant, Melbourne, reported that no vacancy existed.

2. Private Yates then applied for transfer to the Artillery Reinforcements, and was accordingly transferred, on 15th April, 1917. On 23rd May, 1917, he was transferred from South Australia to Maribyrnong Camp, Victoria, for training in artillery work, where he now is.

3. On 20th June and 3rd July, 1917, urgent appeals were made to the men in Maribyrnong Camp to voluntarily transfer to infantry reinforcements, owing to the reduced number of artillerymen required by the Army Corps Commander, and owing to the shortage of infantry reinforcements.

4. It is understood that Private Yates was present when these appeals were made. He was not one of the men who responded to the appeal. He will probably be embarked for service abroad about the middle of September, in the first transport to take artillerymen from Victoria.

From that record it appears that the honorable member enlisted for service in the 5th Pioneer Battalion, and was to embark in February, five months afterwards. I heard on pretty good authority not long ago that there was no necessity to train men for the infantry so long at the present time, but that if they were trained here for five or six weeks they could be sent to Europe, and get their full training there. That was done in the case of a young friend of mine, and, if necessary, I can supply the dates of his enlistment and embarkation. It is evident from the statement I have read that there was an urgent need for reinforcements for the infantry, and that the honorable member for Adelaide (Mr. Yates) had ample opportunity to volunteer. There was no necessity to allow him leave of absence. If a man puts on the King's uniform he is a soldier, and not a politician. You cannot mix the two jobs. If the duties of one position run counter to the other the honorable member had better throw up the soldiering. He claims that he got leave for recruiting purposes, but it appears to me that it would have been better for the Department if he had been in training, so that he could go away with his brethren in arms. He applied for transfer to the Army Service Corps. Apparently he tried to get into any mortal thing to dodge going away. The honorable member enlisted for the purpose of dodging

Mr. Archibald

the general election, because if he had not gone into uniform he would not have been here to-day.

Mr. FENTON.—That shows your dirty mind.

Mr. DEPUTY SPEAKER (Hon. J. M. Chanter).—Order! I ask the honorable member for Maribyrnong to withdraw.

Mr. FENTON.—To comply with the forms of the House I do so, but I can think pretty hard all the same.

Mr. HIGGS.—As Deputy Speaker, sir, do you not think you ought to protect an honorable member, in his absence, from reflections of the character made by the honorable member for Hindmarsh (Mr. Archibald)?

Mr. DEPUTY SPEAKER.—The honorable member, as a parliamentarian of long experience, knows that the Speaker has no such power. If anything derogatory or forbidden by the Standing Orders is said here concerning an honorable member, whether he is present or absent, I will immediately call the honorable member making the reflection to order, but no such statement has been made.

Mr. ARCHIBALD.—What right had this man to have leave, if he is a soldier? He gets a walk-over for his district, and he uses his leave of absence, not to go round his own district, but to go into the neighbouring district—my own electorate of Hindmarsh—night after night.

Mr. FENTON.—That is the cause of the milk in the cocoanut.

Mr. ARCHIBALD.—The honorable member can laugh, but it is a fact. If that is the policy pursued by the Defence Department it should not be allowed.

Mr. TUDOR.—He was not allowed out on leave whenever he wanted.

Mr. ARCHIBALD.—He was in my district repeatedly at night, while I was going round on the campaign. This matter ought to be put on a proper basis, because it is in a very unsatisfactory state at present. The sooner these soldier politicians become one thing or the other the better. I do not want to refer to those that are already on the other side of the world, but it is obvious from what has been going on during the last eight or nine months that some of them who are still here are a good deal more politicians than they are soldiers. The sooner the Defence Department stops this sort of thing the

better it will be for recruiting. It is not right that the public should be in a position to say that a member of Parliament is in a different position from any other man who enlists to serve his King and country.

Mr. CONSIDINE (Barrier) [9.55].—I desire to say something concerning another war, and one which the honorable member for Flinders (Sir William Irvine) alluded to the other day as being more important even than the European struggle. I refer to the industrial conflict now being waged in New South Wales. To-day I asked the Prime Minister if the Government intended to take any steps to arrange a conference between the Railways Commissioners and the officials representing the Railway and Tramway Association of New South Wales, and the Prime Minister replied that the Government did not intend to take any such action. Notwithstanding that the card system has been discredited in other countries of the world, where it has caused a tremendous amount of dissatisfaction and turmoil, an attempt was made to force it upon the tramway and railway employees of New South Wales, despite the results of the experience elsewhere, which ought to have been at the command of the New South Wales Government. The action taken by the Minister for Defence when the Broken Hill strikers were dismissed for refusing to work the Saturday afternoon shift was in pleasing contrast to the attitude of the Government to-day towards the New South Wales strike.

On the occasion to which I refer, the newspapers, as is the case to-day, were full of reckless statements about German money and German influence, as well as allegations about the soldiers at the Front being left without munitions, and so forth. We had a little toy munition factory in Broken Hill, but it never made any shells to do any damage to the enemy or calculated to improve the position of our men at the Front, and it went out of business immediately the strike was settled. We have heard no more about that factory, but, at the time of the Broken Hill strike, its existence was used to inflame the people of Australia against the strikers. The influence of the daily press, then as now, was used against the strikers, but, as I have said, the Minister

for Defence intervened at an early stage. He submitted a proposal which was neither desired by the men—who demanded forty-four hours as a condition for the resumption of work—nor by the companies; but a compromise was effected, and the men resumed work on conditions then laid down, and ultimately the dispute was settled by the Arbitration Court.

I fail to see why any Government which is supposed to legislate in the interests of the people of Australia—a great majority of whom belong to the working classes—should decline at this stage to take any steps towards ending this struggle, which may yet involve the whole Commonwealth in an industrial upheaval. It would appear from statements in the daily press from time to time, and from innuendoes in the leading columns of the metropolitan papers, or from utterances such as were made the other day in Sydney by Mr. Campbell, secretary of the Farmers and Settlers Association, that it was known this trouble was coming. Mr. Campbell said that they had been expecting it for a considerable time, and they had accordingly made all preparations for the organization of free labour. He wound up by saying that the trouble could not have occurred at a more opportune time for them. That statement, taken in conjunction with others which have appeared in the press about the ever-increasing rapacity of the wage-earners of Australia, coming on top of the refusal of the Prime Minister, speaking on behalf of the Government, to intervene, gives ground for the impression that the Government are behind the people who want to fight organized labour in Australia, and who are trying to precipitate an industrial upheaval such as occurred as a result of the maritime strike. But there are advantages in various directions. We have been told that the New South Wales Government are applying for the cancellation of registration of the unions involved, and that all those people who, by courtesy, are termed "free" labourers, will have the existing awards made applicable to them by a simple process if they band themselves into organizations. It would appear that the card system—that objectionable Yankee speeding-up process, which has been found to be a

failure in the industrial arenas of other countries—was absolutely forced upon the unionists in the hope that they would take definite action. Knowing the deep resentment felt towards it by the workers, the employing section expected this upheaval, and made their preparations accordingly.

A discussion on the strike situation is, in my opinion, of far more importance than a debate on the matters that have been referred to this evening. We have been told that organized labour is attempting to dictate the terms upon which men shall be employed in the running of our railways, in our mines, or in any other capacity, and that organized labour should have no voice in these matters. Speaking as a representative of the industrialists and working classes of Australia, I say that we are going to give the men more and more say as to the conditions under which they shall be employed. We are not living in that stage of the world's history when men wore the collars of their masters round their necks; we are no longer to be treated as industrial serfs. Education is abroad to-day, and men demand to be treated as men, and not as children. We have had experience of what political Democracy is supposed to mean. What we want now is a little more industrial Democracy. Having won the right to cast our votes in the political arena, we demand an increasingly greater say in the factory, the workshop, the mine, and the field; and it is because of that demand, and because the people who own and control our industrial enterprises know that their positions are menaced, and because they have political control through the Parliament of this country, that the Government will not take any action to bring about a peaceful settlement of the dispute. Apparently, the decks are cleared for action, and this long-looked-for fight between employers and organized labour is to be allowed to run its course. Those men who were loud in their statements a little time ago that they would far sooner live under Prussian militarism than under Australian unionism, and who declaimed against the walking delegates and other "objectionable" representatives of unionism, are now taking advantage of the patriotism of the people to mis-

lead the workers outside the unions into the belief that it is a patriotic duty to take the other fellow's job, in order to play the game for the employer. If Parliament itself will not insist on the Government taking action to bring about a conference between the principals in the present struggle, I hope the people in the various electorates will insist that their political representatives shall demand that such action be taken.

Mr. JENSEN.—The Prime Minister interceded and brought about a compulsory conference between the coal mine-owners and the miners. A settlement was arrived at, but ever since there has been continuous striking.

Mr. CONSIDINE.—I do not know that there has been constant striking, but I do know that the Prime Minister made a statement in which he refused to say that the series of stoppages which had occurred on individual mines were brought about by the deliberate intention of the coal miners as a whole.

Mr. JENSEN.—What about the coal lumpers' battalion? They put their signature to an undertaking that they would not strike and hold up the coaling of transports, no matter what troubles occurred, and we gave them the highest rates of pay received by any lumpers in Australia.

Mr. CONSIDINE.—What about the Prime Minister's statement that the industrial conditions of labour would not be altered? Was that also a "scrap of paper"? The coal lumpers are following the example of the Prime Minister.

Mr. ATKINSON.—Then they are breaking their arrangement?

Mr. CONSIDINE.—If they were fools enough to make that arrangement. It is not at all certain that the men who are employed now in the capacity of coal lumpers ever gave that guarantee. The Minister knows as well as I do that the occupation of coal lumpers is intermittent, and it may be that there is not a man in that occupation to-day who gave that undertaking.

Mr. JENSEN.—The secretary of the Coal Lumpers' Union gave an assurance.

Mr. CONSIDINE.—If he did, I do not know under what circumstances he gave it, or that his union authorized him to do so.

Mr. JENSEN.—It was signed on behalf of the union by the secretary and president.

Mr. CONSIDINE.—I have heard an assurance given before to-day by a certain union secretary, who is now engaged in prosecuting unionists on behalf of employers, so I do not attach too much importance to that undertaking.

Mr. JOSEPH COOK. — It was a signed agreement.

Mr. CONSIDINE.—That is all very fine. We have seen agreements broken by employers before to-day. It is said that circumstances alter cases. Even if the coal lumpers did what the Minister says they did—and that I do not admit—I believe that circumstances would be found which would justify the men in taking the action they have taken. We have an Imperial illustration of a broken undertaking. When the Empire went to war with the Boer Republics the statement was made that not one inch of territory would be annexed, but after the war the Orange Free State and the Transvaal were annexed.

Mr. JENSEN.—Ask for the agreement between the Coaling Battalion and the Government to be placed on the table.

Mr. CONSIDINE.—I have no reason to ask for it. I am prepared to take the coal lumpers' side. I belong to the working class, and I am prepared to take their view unless I am shown absolute evidence to the contrary. Although I am still a young man, I have had sufficient experience to know that men do not strike for fun. I have had personal experience of the men engaged in the trouble in New South Wales. I worked on the Sydney trams for a period, and I know that the employees of that system are not the men to strike without extraordinary grievances. Whether the men were right or wrong in the belief that the obnoxious card system would do them an injury, the fact remains that they honestly believed it would. Do honorable members wish to believe that men who have grown old and grey in the Service, and who risk the forfeiture of their superannuation rights, would strike for a mere whim—that they were going to ruin everything for the purpose of securing a holiday?

Mr. BOYD.—They were scared of their leaders.

Mr. CONSIDINE.—The honorable member may tell that to the people of

Henty, but it is idle for him to tell it to the people here.

Mr. BOYD.—The people here believe it, because they know that it is true.

Mr. CONSIDINE.—Because they are fed up with that sort of thing by the *Argus*, and other newspapers which reflect the honorable member's opinion. The newspapers are continually telling the people that. When the last industrial trouble took place at Broken Hill, the mining companies allowed the men to lose the Saturday afternoon shift for nearly four months. They continued this practice until they had accumulated sufficient stocks of lead and zinc for their own purposes; then they turned round and discharged the men whom they had allowed to lose the Saturday afternoon shift for the period I have indicated.

Mr. SINCLAIR.—The last strike was over Brookfield.

Mr. CONSIDINE.—No; that was a stop-work meeting, which was perfectly within the law.

Mr. BOYD.—What is the difference?

Mr. CONSIDINE.—If the honorable member attempted to put his views into operation at Broken Hill, he would soon discover the difference, as Brother Brookfield did. He can obtain all the information that he may desire in regard to stop-work meetings from the late president of the Waterside Workers, the present Prime Minister.

Mr. BOYD.—I suppose he is the father of the proposition?

Mr. CONSIDINE.—He was certainly the godfather of it for a long time. It is ridiculous for any sane man to believe that thousands of men are willing to leave their employment at the mere behest of their officials.

Mr. BOYD.—Why have the seamen gone out on strike? They must have a microbe under their skull.

Mr. CONSIDINE.—I cannot say why the seamen have struck, but I am quite prepared to believe that if they considered it necessary to cease work they were labouring under a substantial grievance.

Mr. BOYD.—They do not know why they have gone out on strike.

Mr. CONSIDINE.—The honorable member has no more opportunities for obtaining information than I have. He has simply to accept the statements which

appear in the daily press; and we all know that, for the purpose of breaking strikes, there are reporters employed on our newspapers who possess very vivid imaginations, and who are always ready to write up interviews with dissatisfied workers which never took place. In spite of the statements which have appeared in the press to the effect that thousands of the strikers in Sydney are resuming work, we still find that the men there are standing solidly together.

Mr. LAIRD SMITH.—Is it a fact that Mr. Todd has gone back to work?

Mr. CONSIDINE.—It is reported in the newspapers that he has done so, but whether the statement is true I cannot say. I do recollect, however, that when the railway strike took place in Victoria, the newspaper proprietors printed two editions of their journals—one for the benefit of country subscribers, and the other for the benefit of city people.

Mr. BOYD.—The honorable member was toddling to school then.

Mr. CONSIDINE.—Whether I was toddling to school or not does not matter. If I was attending school at the time, I learned something from my attendance, anyhow. I learned not to pay too much attention to newspaper reports when an industrial disturbance is in progress.

Mr. BOYD.—How did the honorable member learn so much?

Mr. CONSIDINE.—I had to cease going to school when I was very young, because it was necessary that I should go to work. Possibly that is why I did not acquire sufficient culture to interest the honorable member. But I learned sufficient in the school of experience to teach me that my interests are bound up with the interests of those who are on strike in Sydney at the present time. It taught me to expect no concessions from the class that is represented by the honorable member.

Mr. GREGORY.—The honorable member should ask Mrs. Egan her experience of strikes.

Mr. CONSIDINE.—I did not know that the honorable member had such an intimate acquaintance with the lady.

Mr. GREGORY.—The honorable member himself had a fairly intimate experience of her.

Mr. CONSIDINE.—I had. The honorable member himself is evidently referring to the circular which was distributed—

Mr. GREGORY.—I read the evidence given at the trial, and it did not reflect much credit on anybody.

Mr. CONSIDINE.—Then the honorable member read, as he always does, the evidence of one side only, because there was no evidence tendered on the other. For his benefit, let me say that I have nothing to be sorry for in connexion with that case. I reserve all my sympathy for the members of my own class, and not for the "scabs" on it. But, seeing that reference has been made to this particular matter, and that the honorable member is anxious to become fully acquainted with the facts, I advise him to read the evidence tendered by both sides to the Wages Board, at Broken Hill, in connexion with the strike with which Mrs. Egan was associated. Then, if he feels so disposed, he can say whether he sides with the employers against whom the hotel employees struck; because the former took advantage of the depression produced in Broken Hill, owing to the outbreak of war, in certain instances, to pay no wages at all to helpless girls who had no relations in Broken Hill. These girls had no home in the town to which they could go if they were put out of the hotel or boarding house where they were working. Only the street was left to them.

Mr. GREGORY.—Would not the Judge's remarks be more interesting than all this talk?

Mr. CONSIDINE.—They would be more interesting to the honorable member, who, I have no doubt, would swallow them open mouthed. Honorable members opposite, who talk about a breach of agreement on the part of the coal lumpers, have nothing but sympathy for those who take advantage of industrial disturbances to go back upon their own class. Any unbiased man who reads the evidence in the case against the Hotel, Club and Restaurant Employees Union of Broken Hill can come to no other conclusion than that there was never a more justifiable strike than that in which these girls and men took part. Every one of the employers had signed an individual agreement, in which he undertook to adhere to the conditions that prevailed prior

to the war. These unionists did not ask for an increase of a penny in their pre-war wages or for a minute reduction in their hours of employment. They merely asked for the maintenance of the *status quo*. When the secretary of the Hotel, Club and Restaurant Employees Union applied for a Wages Board, so that this agreement might be legally ratified, the employers took advantage of the application to put in a counter-claim, in which they asked that the hours of employment in certain instances should be increased to fifty-six a week, and that the wages should be reduced to the rates paid in Sydney plus 10 per cent. Then came to the front this lady to whom the honorable member for Dampier (Mr. Gregory) has referred, and who was a dummy for another employer in the town. When her shop, with others, was shut down as a result of the strike, she "scabbed" on her former fellow employees. She had refused to join the union prior to any trouble taking place. When the industrial disturbance did take place, this valiant lady, with the assistance of another female, levelled a revolver at the head of a little crippled lad, weighing about 7 st., and beat him. While one held a revolver at his head the other beat and tarred and feathered him. That is the sort of exploit of which the honorable member for Dampier and those associated with him feel proud.

Mr. GREGORY.—Why did they do it?

Mr. CONSIDINE.—The honorable member had better ask the lady to explain to him the reason, since she has already told him so much. I merely desire to give the honorable member facts.

Mr. GREGORY.—You give facts?

Mr. CONSIDINE.—Yes; and facts which the honorable member cannot answer.

Mr. BOYD.—Who is this insignificant little man who was thus attacked?

Mr. CONSIDINE.—The president of the union.

Mr. BOYD.—These presidents must be pretty cheap up there if this one weighed only 7 st.

Mr. CONSIDINE.—Like the honorable member, the men up there pick and choose. I have nothing of which to be ashamed in my association with that strike. I was in employment at the time, but I lost my employment because I fought the battle of the union in question. I did not get a penny piece or any per-

sonal advantage out of the part I played in it, but I am proud of my association with that fight on behalf of a section of the workers of Broken Hill.

Is it not remarkable that workers in Australia, who are forced out of employment, or who by reason of the fact that their conditions have become intolerable, are compelled to take action to obtain redress, are held up as anti-patriots? It is said that they are the paid agents of Germany. One cannot pick up a newspaper in which there is not a reference to a strike, under such head-lines as "More German Influence," or "More German Money at Work." And yet we find that in Spain, Italy, France, the United States, England, and, indeed, every country having any pretence to civilization where industry has been established the same conflict between labour and capital is going on.

Mr. MATHEWS.—It has also been going on for years in Japan.

Mr. CONSIDINE.—Japanese workers have been on strike. Even in China and India strikes have occurred. Wherever capitalism has raised its head and the exploitation of industrial development has taken place we find the same conflict going on. In every case the cause is the same. The conflict is due, not to German influence but to the conditions under which men and women are called upon to work. At the back of all this talk of patriotism, and of all the talk of crushing out German trade, in which honorable members opposite love so much to indulge, there is but the one idea. The only concrete evidence of German influence so far as Broken Hill is concerned is that of German names to be found in the list of shareholders in the mines there.

Mr. FENTON.—All the German influence is on the other side.

Mr. CONSIDINE.—It is. Speaking of industrial conditions. I am reminded of a statement bearing on the question of industrial trouble which was published in that revolutionary newspaper the *Age* on 1st August last. This is not an extract from a red-rag paper, or from the Industrial Workers of the World *Direct Action*, but from that eminently respectable organ the *Age*. In its leading columns it wrote:—

The time is steadily approaching when the Government of the Commonwealth will have to choose between continuing its present policy

—which is intrinsically a policy of strike promotion, and the creation of general tumult and disorder—and adopting a policy scientifically calculated to banish discontent; that is to say, a general policy of price fixing.

I wish to point out to honorable members who desire to know why various unions are striking which are not directly interested in the dispute between the Railways Commissioners and their employees, that possibly a solution of the question may be found in the general unrest and discontent. As has been pointed out in the self-same leading article in the *Age*—

The present situation is as follows:—Despite the increased wages won by fifteen years of continuous agitation, the average Australian worker is 11.1 per cent. worse off to-day, in the matter of purchasing power, than in 1901; and that section of the consuming public whose earning power has rested stationary during the period is no less than 50.7 per cent. worse off. We see, then, that the employing class has not only succeeded in positively sterilizing the apparently victorious efforts of the workers to improve their circumstances, it has outwitted them all along the line, and put them in a much worse position. Assuming the accuracy of the Statist's figures and deductions, what is it but downright humbug for any person to disparage the prevailing industrial discontent and to hold up the Australian worker to special execration as a type of insatiable greed?

Were we to talk here for hours we could not make out a stronger indictment against the present Administration than appears in that leading article in the *Age* of the 1st August. While we hear constantly of an enormous increase in the cost of living, while we have a statement based on the Statist's figures that as regards the purchasing power of money the workers are 11.1 per cent. worse off than they were in 1901, absolutely no remedial action is taken. But when the Government are asked to make an effort to reduce the cost of living, we are told that there are insuperable difficulties in the way. When we say that exorbitant profits are being made while the war is proceeding, persons deny that any extraordinary profits are being made. Yet we know that the workers' wages have decreased to the extent pointed out by the *Age* in its leading article. We know that the prices of commodities are going up sky high every day, and that somebody must be deriving a profit. Let me give an instance which came under my notice on the very day I left Broken Hill, and which is absolutely authentic. A bullock was sold at Elder, Smith's yards there for £25. The weight at the abattoirs, dressed, was 1,260 lbs.

Mr. Considine.

The average price per lb. was 1s., coming to £63; the hide brought 50s., and the tongue 8s. 6d., making a total of £65 18s. 6d. As the bullock was sold for £25, there was a gross profit of £40 18s. 6d. I do not say that that result is characteristic of the whole of the bullocks sold at Broken Hill. On the morning I left I obtained these figures, which can be vouched for.

Mr. PIGOTT.—Can you guarantee that price for the next few months? If you can I will send over a few bullocks.

Mr. CONSIDINE.—Seeing that the Government have every hope of remaining in office for some time, I think that we would be safe in getting a guarantee for the honorable member.

Mr. PIGOTT.—Get a guarantee, and I am with you.

Mr. SINCLAIR.—Did that bullock have any bones?

Mr. CONSIDINE.—I suppose that it did. I do not know whether they were as productive as they might have been, but I know that these figures are absolutely correct.

Mr. SINCLAIR.—They are absurd on the face of them.

Mr. CONSIDINE.—If the honorable member challenges the figures I can substantiate them. I obtained the figures, not from people who did not know anything about this matter, but from the butchers direct.

Mr. SINCLAIR.—I do not care where you got the statement from—it is not correct.

Mr. CONSIDINE.—I do not propose to take up any more time. I felt that it was absolutely necessary that something should be said about the Government's refusal to take any action towards bringing about, or attempting to bring about, a conference between the people engaged in the present industrial upheaval. Instead of any attempt being made on behalf of the Government who are interested, in spite of the statements made that the strike is absolutely ruining any chance of Australia effectively participating in the war, any help is absolutely refused by the head of the Government to bring about a peaceable solution. I hope that honorable members will not be put off with the statement of the Prime Minister, but will see that some efforts are made to bring about an amicable settlement.

Debate (on motion by Mr. GREENE) adjourned.

House adjourned at 10.44 p.m.

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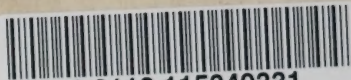
Joint House Committee.—G. H. Monahan.

1. Deceased reported 14th June, 1917.

2. Elected 30th June, 1917. Sworn 11th July, 1917.

3. Sworn 11th July, 1917.

4. Appointed Temporary Chairman of Committees, 18th July, 1917.



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